

**USAID/Ethiopia**

**FY2000 Results Review and Resources Request**

## **USAID/Ethiopia FY 2000 R4**

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## USAID/Ethiopia FY2000 R4

### I. OVERVIEW AND FACTORS AFFECTING PROGRAM PERFORMANCE

**Summary:** USAID's assistance program in Ethiopia contributes to achieving the highest priority goals of the U.S. Mission's Performance Plan and the Government of the Federal Democratic Republic of Ethiopia's (GFDRE) development strategy. We have ranked three of our five Strategic Objectives as meeting the targets set for them in FY97.

Major reviews or assessments have been conducted over the past year on three of our SOs, and have resulted in more focused results frameworks, elimination or revision of IRs, and improvements in communications with government and non-government partners and customers. We now have good working relations at federal and regional levels in three of our five SOs, are actively improving relations on a fourth, and are optimistic on the fifth, that we can come to agreement over the next year on a new approach to assisting Ethiopia achieve food security.

The progress made over the past year on Sector Investment Programs (SIPs) in the health and education sectors in which we are heavily engaged has been positive, and has presented an opportunity to magnify our experience and lessons learned in these two sectors. We look forward over the coming year to improving the contributions our assistance can make in the new arenas presented by the "sector development programs" for health and education which have been formulated.

***"Bumps in the road"*** Over the past year there were several natural and bureaucratic events which affected our efforts to improve the welfare of Ethiopians.

- three years of unusually good rains were followed in 1997/98 with erratic rains causing food shortages. This slowed several years of positive momentum in agricultural and general economic growth, confirming normal weather patterns where rains in 3 out of every 10 years are expected to be "bad";
- the implementation of bilateral assistance programs and assistance through Non Government Organizations (NGOs) was hampered to varying degrees by continuing problems in interpreting and meeting new customs and duties requirements introduced in 1996;
- the role and operational status of International PVOs and local NGOs remained uncertain during the year as well, with continuing delays in establishing clear registration procedures and in actually carrying out registration processes. Uncertainties on government policies, delays and refusals on operational clearances, staff work permits discouraged PVO activities;

- debt rescheduling negotiations dragged on, and the ESAF agreement with the IMF lapsed in late 1997 because of differences on the pace of reforms and IMF allegations of government bad faith.

**Weather: "As Scheduled"** 1997 saw the end of three years of good rains, with a return to irregular rains which reduced crop production by over 25% from the previous record year. Given the prominence of agriculture in the economy, this lowered overall economic growth from an estimated seven to three percent. The emergency response system, food security reserve system and donor community responded quickly, averting any serious famine or movement of populations. The resulting increases in food prices coupled with tariff reductions on food imports have led to the first sizable commercial imports of grain in a decade.

**Customs: "Over the Hump"** Customs problems continued to plague all elements of the USAID program in 1997. The implementation of new customs policies in 1996 requiring that almost all categories of goods entering the country pay customs continued to delay the entry of many categories of assistance commodities throughout 1997. The situation gradually improved for most partners over the year as they learned how to work with the new system; found appropriate government sponsors to help get commodities cleared; or negotiated system specific arrangements. Nonetheless, there were direct negative effects on USAID supported programs. For example, the failure of contraceptive marketing programs to meet their targets is directly linked to the shortages of contraceptives caused by customs blockages of both contraceptives and packaging materials. New regulations introduced in June without warning or publication affected an even larger number of project commodities and personal property imports of contractors, grantees, NGO partners and some USAID staff. Some commodity shipments were delayed for six months.

In the end, after nearly two years of pressure by the international and donor community, and constant inter-governmental posturing and hedging, the Customs Authority acceded to the Ministry of Foreign Affairs claim that bilateral assistance agreements dictated that commodities for project implementors must be imported duty free. (Commodities imported under projects for other agencies or units of the government must still comply with duties.) Following this decision in early February 1998, more than 22 shipments of USAID project commodities that had been accumulating in Customs since August of 1997 were released.

**Development Partnership & African Ownership: "A New Beginning"** Ethiopia began 1997 on a development high coming off of a record harvest, strong economic growth and a very successful Consultative Group meeting in Addis, one of the first to be held in a host country. Unfortunately, over the course of the year, rains were erratic, agricultural production fell, economic growth suffered, and the extension of the ESAF agreement lapsed due to the government's failure to meet several IMF targets.

After negotiations, it now appears that things may get back on track, with both sides bending enough to reactivate the ESAF, and moving Ethiopia back into the preferred performer ranks. The longer term effect of the temporary suspension of the ESAF is not yet clear, but it is likely to keep Ethiopia at the low side of its donor fueled macro-economic envelope for the next several years. It is also likely to postpone Ethiopia's serious consideration for debt relief under the Highly Indebted, Poor Countries (HIPC) program for several years.

**PVO/NGOs: "*Progress at Last!*"** While USAID's PVO/NGO partners continued to face bureaucratic hurdles and uncertainties in their operations in Ethiopia, generally the situation improved in 1997. Progress was made in speeding up and clarifying the registration process for indigenous and international NGOs. Steps were taken to establish a regular dialogue between the government and NGOs. One welcome indicator of improved transparency in government regulation of NGOs was the smooth annual re-registration of most of the NGOs initially registered under the new regulations in 1996. Progress was also made on government drafting of regulatory legislation for NGOs and by the NGO community on beginning to draft a code of conduct.

**SIPs => Sector Development Programs: "*We are Major Players*"** Thus far issues with the ESAF have not thrown the development of the two major social sector investment programs (SIPs) in education and health off track. These massive programs for multi-donor funding have proceeded through several stages of design and development since their formal launching at the December 1996 CG in Addis. The Education Sector Development Program (ESDP) is valued at USD\$2 billion over the next five years. The Health Sector Development Program (HSDP) is valued at approximately USD\$ 800 million over the next five years. The ESDP is several months ahead of the HSDP because of design delays, but both promise significant accelerations of efforts to expand infrastructure, services and quality in these sectors. The financial commitments for both the GFDRE and donors are substantial, and their implementation will be a daunting challenge for donors to do business differently, and assist with what are clearly two Ethiopia owned and driven sector development programs.

Our active participation in the design of these Sector Development Plans, and lessons learned from our health and education programs in Tigray and SNNPR regions have played a major role in the development (and direction) of the SDPs.

In the ESDP, for example, lessons learned from our assistance program now form the basis for the national distance learning component of the program (which was written almost exclusively by the Chief of Party of our major contractor team). In the health sector, our technical assistance, study tours and training formed the basis for the content and direction of the health care financing component of the HSDP. Given the size of our project and NPA investments in these sectors, we are a major influence in the donor coordination process of the SDPs. Under USAID leadership, donors have voiced their critical concerns over the GFDRE felt need of rapidly increasing access (e.g., building more schools and clinics) with the need to ensure quality of services and teaching in existing institutions. The debate still

rages, but we are already seeing the GFDRE backing off from what were initial construction plans that were beyond the capacity and financing capability of the SDPs.

Finally, USAID was selected by the GFDRE to represent all bilateral donors on the powerful HSDP Ministerial level steering committee, which includes the Ministers of Health and Finance, and a senior representative from the Prime Minister's Office. In this capacity we have a significant voice in the design and implementation of the HSDP.

Our Strategic Objectives in both these sectors are consistent with the SDPs at the policy, strategic and operational levels. A key issue we face, however, is finding ways within USAID procurement, contracting, monitoring and evaluation systems to allow for greater African ownership of the assistance process. We cannot pool our resources into one donor assistance fund at this stage, as the GFDRE desires. However, we are making strides to cope with the lack of capacity of government ministries that hinders our ability to transfer to them more financial ownership of our program. We are also trying to develop ways to harmonize donor monitoring and evaluation requirements (and USAID need for measurable results).

**Greater Horn of Africa Initiative (GHAI):** One of the challenges of GHAI is to do business differently as spelled out in the principles. USAID/Ethiopia not only believes in this approach, we embrace it. The principles are evident in our daily operations and they are beginning to show solid results. "Promoting Stability", "Linking Relief and Development" and "African Ownership" are common and recurrent themes this year.

"Promoting Stability" is most evident in SPO 1 (humanitarian assistance) where the recognition that Ethiopia's most vulnerable populations are subject to significant economic changes based on natural or man made disasters has resulted in the development of emergency response plans which work in tandem with long term food security programs for these vulnerable groups. These plans have enabled us to identify crises early on and respond quickly.

SPO 1 also "Links Relief to Development" by providing humanitarian assistance which reinforces longer term development goals. USAID/Ethiopia took an unprecedented step last year when we designed a development assistance funded activity as part of the SPO which reinforces our Title II efforts by building the GFDRE's capacity to undertake better managed and targeted relief efforts. This takes pressure off the Title II partner food assisted development programs to divert scarce development resource to emergency interventions is reduced.

"African Ownership" is based upon the principle that GHAI efforts must build upon and respond to African leadership. In every one of our SOs the Ethiopian's are fully ensconced in the drivers seat. In some instances, this has caused delays while common operational approaches are worked out and trust is built. In another, the operationalizing of this principle has given us a seat at the table in determining how macroeconomic policy is being made in

Ethiopia. In this case, we have been asked to assist the Ethiopian designed and led Civil Service Reform effort allowing us to assist in the achievement of this national priority.

"Strategic Coordination" has already begun with the Embassy as we opened the dialogue on the development of our new strategy. The real test of this coordination will come this year as the design process moves into full swing. "Regional Perspectives" will also be highlighted this year as we begin discussions with USAID/Eritrea on joint programming. Considerable staff time has been invested and great progress made over the last year in working with other donors and the government in the development of the health and education SIPs. All told, the implementation of the GHAI principles is not only changing the way we do business but changing the depth and scope of our results as well.

**Toward a New Partnership:** Although USAID/Ethiopia's current assistance strategy is now four years into implementation, our various SOs are at quite different stages. Over the coming months USAID/E will be going through a strategy review and reformulation process which will yield a new Integrated Strategic Plan (ISP) for assistance in Ethiopia. We will increase our development program convergence with the GHAI, especially in the areas of conflict prevention, food security and addressing regional issues. As the name indicates, in addition to representing a reaffirmation and restructuring of our development partnership with the GFDRE and the Ethiopian people through an intense consultation process and continuing dialogue, our new ISP will attempt to take into consideration all of the U.S. Government resources and interventions in Ethiopia in a single development assistance strategy.

## II Progress Toward Objectives

### Summary Information for USAID/Ethiopia -- FY2000 R4

Objective Name	Rating	Evaluation findings
SO 1: Increased availability of selected domestically produced food grains	Failed to meet targets	None Applicable. See SO 1 text on ongoing reviews of federal and regional government food security programs.
SO 2: Increased use of primary and preventive health care services	Meets Targets	The results of the 11/97 evaluation of the program are still being worked through with partners. The evaluation has already led to an improvement in partnership, and a much more shared basis for making critical decisions on the future of the program.
SO 3: Quality and Equity Improved in and Expanded System of Primary Education	Meets SO Targets (Exceeds some IR Targets)	4-5/97 program review by government, subsequently reviewed by entire SO team. Produced strong endorsement of the SO approach, recommended changes and additions in assistance which are being acted on.
SO 4: Previous = Increased access to and participation in a democratic system New = Effective Government and Civil Society Organizations Developed to Promote Accountability and Participation.	Revised SO- No SO Rating (Met all IR targets)	3-4/97 program review carried out by an external team. This resulted in a focusing of assistance objectives to reinforce assistance that was working, and ending programs which were not successful and/or too contentious with the government.
SPO 1: Enhanced household food security in target areas	Meets SO Targets (Exceeds some IR targets)	6/97 joint baseline study of target areas has resulted in first reliable cross program baseline data and program guidance. This is now being used to actively review and improve programs.
<b>Percent funding through NGOs and PVOs: FY98 = 41%; FY99 = 43%; FY00 = 38%</b>		



## **STRATEGIC OBJECTIVE 1: INCREASED AVAILABILITY OF SELECTED DOMESTICALLY PRODUCED FOOD GRAINS**

### **I. PROGRESS TOWARD OBJECTIVE**

Progress toward this SO during FY97 was constrained by continuing problems in establishing bilateral assistance modes in food security. The overall positive trend in agricultural production continued, in spite of a decrease in absolute production increases because of a break in the three years of exceptionally good rains. This trend is based on improved production incentives for small farmers resulting from policy changes, market liberalization and moving the government out of production. The current government has the rural small producers as its highest priority constituency and cares intensely about increasing the welfare of and support to this group.

As initially formulated and approved by Washington in December 1994, performance towards SO 1 -- **"Increased availability of selected domestically produced food grains"** -- has been poor because of our inability to reach agreement with our government partners on any major bilateral assistance activities for agricultural production.

SO 1 focuses on improving agricultural production (IR 1: Increased production and productivity of selected domestically produced food grains), and marketing (IR 2: Increased efficiency of grain markets). These two components are critical to achieving food security as they address availability (domestic production) and consumer access through increasing marketing efficiencies.

All USAID's development assistance in Ethiopia is based on strong ownership by our Ethiopia government partners. This has led to serious delays in our coming to agreement with the government on an agricultural assistance program. Over the past three years, USAID/Ethiopia has worked closely with and supported evolving GFDRE food security strategies and programs. The process has not been as fast as donors would have liked, but has been at a pace set by the government. Development of a national strategy required that the federal government give due consideration to the complexities of the sector, which necessarily includes agriculture production, marketing, financial markets, income generation, emergency response, development of infrastructure, agricultural research, to name just some of the elements of the strategy. The national strategy and framework was finalized in December 1996, after several rounds of discussions between donors (led by USAID and the EU) and government partners. The federal government then worked with regional governments to obtain their consensus on how this strategy could be operationalized in the regions. Donors were invited to a meeting in July 1997 during which key regions presented the broad outlines of food security programs in their regions. The next step was the fleshing out of these programs by 4 regions. USAID staff visited 3 of the 4 regions to have more detailed discussions on the process each region went through and the resulting programs. In January 1998, the regions' programs were presented to donors for comments and discussion on next steps. The conclusion by both donors and federal government officials was that these

programs still lack many elements and are not yet ready for support or implementation. Mission plans on how this SO will be handled are discussed at the end of this section and in the section on our management contract. However, it is important to emphasize that this process is being driven by the Ethiopians, and their ownership of the process, is absolutely essential to successfully defining our assistance in food security and agriculture.

SO 1 contributes directly to meeting the Second Goal under the current U.S. Mission Program Plan (MPP) for Ethiopia, *achieving sustainable economic growth*. It also contributes to USAID's priority area of *achieving economic prosperity through a strategy of promoting broad-based economic growth*. Food security is the highest priority for the GFDRE since Ethiopia is one of the most food insecure countries in the world. Per capita grain availabilities are so low that domestic production routinely only meets 76% of caloric needs of its population.

SO 1 is fully supportive of and consistent with the Greater Horn of Africa Initiative (GHAI) in its focus on food security, and its adherence to the GHAI principles of African ownership for the activities implemented under the SO and donor coordination. Market information systems (MIS) were identified as an important activity for GHAI regional development. SO 1 and the GFDRE clearly support MIS through the ongoing work with MEDAC and Michigan State University(MSU). Regional market weaknesses and constraints were particularly obvious in the 1996/97 season when Ethiopia's surplus of maize (and falling producer prices) and Kenya's maize deficit of crisis proportions was not met efficiently through market mechanisms.

SO 1 is also closely following the principles of GHAI in its implementation and ownership by the GFDRE is one of its leading tenets as described above. The MSU/MEDAC Grain Marketing Research Project (GMRP), the Title III program, the Development of Competitive Markets (DCM) project and the Ethiopian Management of Participatory Opportunities for Women in Extension and Research (EMPOWER) activity also all have very high levels of government participation in determining the activities to be undertaken and their management.

#### SO 1 Indicators

1. Increased volume of food grains purchased by private merchants
2. Increased per capita availability of domestically produced food grains.

SO 1 will also support the African Food Security Initiative, most likely beginning in FY 99. While activities to be supported under bilateral assistance are still to be defined with the GFDRE, they will conform with the outlines of the national Food Security Strategy and the regional Food

Security Programs. Such a program will directly support AFSI's food security objectives.

The annual FAO/WFP crop assessment estimated that **the 1997/98 harvest decreased by some 26%** from the previous record high year due to erratic rains during both the short and

main cropping seasons. In addition, fertilizer use dropped due to increased prices combined with uncertain rains, causing farmers to delay or totally abandon fertilizer purchases this year. Agriculture input credit arrangements which limited farmers' choice of supplier also inhibited fertilizer use. Government deregulation of fertilizer retail prices, while a step in the right direction, caused short term confusion among wholesalers and retailers, and we believe delayed retail sales to farmers. The first indicator at the SO level tries to capture the amount of food grains going into the market (rather than being bought and sold by government parastatals) and would be available to Ethiopian consumers. This year's estimate of 1.8 million metric tons (98% of marketed surplus) marketed through the private sector indicates that government sector's participation in the grain market continues to be negligible, with the private sector (be it wholesalers, traders or smallholder farmers) handling the bulk of cereal market transactions.

The 1997/98 crop year resulted in an estimated domestic production level of 9 million MTs, the third highest in the past 15 years. Because of erratic rains reducing production, and the continuing 3% population growth rate, however, per capita domestic availability, a proxy for consumption, fell to 155 kgs., compared to last year's figure of 217 kgs. and the 1995/96 figure of 179 kgs. Domestic cereal production trends over the past 5 years are up, despite variations in rainfall, but must become even stronger to stay ahead of increasing population.

## **IR 1: INCREASED PRODUCTION AND PRODUCTIVITY OF SELECTED DOMESTICALLY PRODUCED FOOD GRAINS IN PROJECT AREAS**

### **IR 1 Indicator**

Increased Productivity of selected food grains in project areas

Progress on IR 1 has been slow, and not met expectations. The initial indicator identified for this IR limited measurement of increased production to the "project area/s" where it was expected a bilateral assistance activity would

focus on. Since there has not yet been agreement on a bilateral activity, there is no specific project area. Therefore this IR has been tracked at the national level, but without any significant causal linkage with USAID assistance and activities (national data is not reported this year).

Following initial failures in program development, USAID has been carefully responding to GFDRE priorities and directions on food security, a process which has taken several years. The slow progress of the GFDRE in establishing promised strategy parameters for donor financing in the food security sector, has delayed donor programming of significant resources in this sector. This appears to be due to debates among senior government officials over how best to set policies and strategies for food production, and the roles to assign to regions and donors. Now that regional food security programs are outlined, USAID anticipates being able to make more rapid progress on bilateral assistance.

There are current activities which contribute to this IR. With VOCA assistance, there are now more than 100 agricultural input retailers who will be able to provide farmers the necessary fertilizer, improved seeds and agricultural chemicals (once licensed) for the improved technology packages being promoted by the government to increase cereal production. Winrock's EMPOWER activity, signed in August 1997 after long negotiations with multiple GFDRE partners, should now begin contributing towards this IR following Winrock's registration as an NGO in January 1998 after 16 months effort.

## **IR 2: INCREASED EFFICIENCY OF GRAIN MARKETS**

Progress on IR 2 has been excellent over the past year. Indicators show that grain markets continue to have increased private sector involvement, and are establishing higher degrees of efficiencies and integration for the principal food grains which are being tracked. The GFDRE has fully or partially met all conditions set out under the FY 97 Title III program relevant to this IR. Overall, the opening up of input markets and increasing importance of market incentives rather than state control in output markets are critical to allowing smallholder production to make the greatest possible contribution to food security in Ethiopia.

In general, indicators show that grain markets are relatively efficient and integrated. In 1997, producer prices as a percentage of market retail price (indicator of how much of the consumer price goes to producers) were 88% for maize, 92% for wheat and 92% for teff.<sup>1</sup> Compared to the pre-liberalization period (baseline 1988/89) when farmers received 44% of retail price for maize, 58% for wheat and 60% for teff, impressive progress has been made. In sum, farmers are consistently getting a very high percentage of the retail price paid by consumers, leading to high incentives for these farmers to continue producing a surplus which can be marketed (rather than levels to just cover home consumption).

### **IR 2 Indicator**

Producer price as percent of market retail prices in selected markets.

Most of the information on this IR originates from the MSU/MEDAC Grain Market Research Project (GMRP). One of the purposes of the GMRP is to provide the government with empirical evidence which they can then use as input into their own

policy deliberations. With emerging analyses from this project on grain market stabilization options, the profitability of improved technology packages, determinants of fertilizer use, and effects of food aid on grain markets, we anticipate further areas for improvement to be

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The targets for this indicator do not change significantly in quantitative terms on an annual basis, because most of the major changes were achieved at the time of the major market reforms in 1990 and 1991. While there is certainly more progress to be made, some of the major remaining factors will take longer to overcome (high transport costs for example) and are not always in areas where USAID has influence or is providing support.

identified. While some official information systems track cereal prices, none are available to farmers and traders on a timely and accurate basis. A pilot grain market information system (MIS) was established by the GMRP in late 1996, which has been functioning for just over one year with weekly radio and written news flashes. The information from this system is being used extensively by traders. The impact on farmers has not yet been evaluated. However, GFDRE policy makers are already major users of the information and analyses from the MIS, and they have requested that the MIS be made a permanent government program, covering more markets and more commodities including livestock, with assistance from MSU.

## **II. EXPECTED PROGRESS THROUGH FY2000 AND MANAGEMENT ACTIONS**

As noted earlier, USAID's way of doing business in Ethiopia is teneted on the GFDRE's desire to own the development process rather than allowing donors to dictate the development assistance process. The Mission recognizes that this necessarily means a long term process that does not always neatly fit into USAID's timeframe. The process is long, bumpy and the direction is not always clear at the outset. However, the benefits of investing time and effort is that successfully negotiated agreements are strong, have full ownership by Ethiopians, and a much greater chance for success in the long term.

Given the strong GFDRE policies in support of increasing agricultural production, including priority on increasing the rural road networks, emphasis on increasing fertilizer and improved seed use, and improving and expanding its agricultural extension system, the likelihood of progress toward this SO once agreement is reached is extremely good. There is also strong government support for improving information systems, particularly for agriculture production and the grain market information system (under the MSU project), which will further improve market functioning and efficiencies.

SO support to the fertilizer sector has been scaled back in FY 98 and includes less emphasis on policy reform, given the reluctance of the GFDRE to have USAID directly involved in the policy arena unless we support fertilizer imports to Ethiopia. USAID's impact on policy issues will be more effectively achieved by providing information and developing government capacity through the MSU research project. Research results have the government poised for serious discussions on future directions for grain market stabilization and effective utilization of food aid.

**SO 1 Level:** USAID is currently reviewing detailed regional program plans prepared under the government's relatively new Food Security Program (FSP). Based on these reviews and initial discussions at federal and regional levels, we feel that the greatest potential for making significant impact on food security and production lies at a regional rather than federal level. We will focus our discussions with federal authorities on obtaining agreement on the broad outlines of an assistance program to allow us to proceed with detailed discussions on assistance at the regional level. We also feel it is important to focus more interventions at a

grassroots level, and will likely expand our support of interventions such as the VOCA assistance to retailers, VOCA's work with cooperative unions and EMPOWER which while just starting, has promise for bearing results, particularly with its target group of women agriculturalists.

Some interventions under the FSP could have important impact on household level food security in vulnerable areas, both through cereal production increases and through increased incomes from non-staple agricultural production, but the greatest contribution to increased overall agricultural production will still come from the higher potential areas. The mission will undertake high level discussions with GFDRE policy makers in the near future to determine if USAID assistance can be directed to a combination of high potential and vulnerable areas.

We expect the excellent progress to date on **IR 2** to continue and for related targets to be met. MEDAC has expressed strong support for the Market Information System piloted by MSU, and have indicated they would like to make this a nation-wide system, expanding the coverage to include more markets and more cereals, perhaps even adding livestock.

Under the Title III FY 98 policy agenda, wholesale prices of fertilizer will be deregulated by early 1998, and this should end the government's role in fixing the price of this important commodity. Furthermore, a foreign exchange facility at the central bank has begun providing equal access to fertilizer importers on a competitive, first-come-first-served basis, further leveling the playing field for public and private actors in access to dollars for fertilizer purchases. A new credit coupon system has been designed and is now under review by regional governments. If approved, the system would address the past problem of fertilizer credit being linked to a pre-determined supplier (usually the parastatal supplier), which has mostly disadvantaged private sector fertilizer distributors. The central bank has also issued operational directives for micro-finance institutions, and most road blocks used previously to prevent movement of cereals across regional borders, have been abolished. Legislation to facilitate registration of private investors in Ethiopia has also been passed.

Progress on policy reform through Title III beyond FY 98 is less clear since this is currently the last year of the program. Given the shortfall in funding in past years, (of the agreed FY 96-98 level of \$50 million, Ethiopia will have received \$44.9 million by the end of the program, there will be at least a partial year of support. The mission is concerned about the shrinking resource levels of what remains a staff intensive activity.

## **RESTRUCTURING OF SO 1**

USAID is continuing the process with the government of identifying mutually agreeable activities that support the basic objectives of SO 1. Now that donors have received the GFDRE Regional Food Security Programs, it has become very clear that government priorities are for assistance to vulnerable areas. While agricultural production remains a

central part of these programs, results towards increasing production will be slower than if programs focussed on constraints in higher potential agricultural areas. Therefore, as noted above, USAID will hold discussions with the GFDRE to determine what scope we may have to respond to the FSPs as well as incorporate assistance in the high potential areas. There is a high level of interest in several of the regions, and they have expressed strong willingness to start detailed discussions with USAID on the content of our assistance. Therefore, once the broad outlines of our assistance are agreed upon at the federal level, the Mission will be able to seriously engage regional partners in a dialogue leading to a final assistance activity. **The Mission now feels that it is almost certain that we will need to restructure the current SO to reflect what can realistically be achieved through the agreed upon program and related activities.**

Once we reach agreement with government partners on a bilateral assistance program for this SO, the mission will be requesting more reliable levels of funding than has been available in over the past years of repeated "false starts on this SO". We would anticipate the program to be a 7 year program with an life of program level of \$40 - 45 million -- \$6 to 7 million annually over this period. This is within the range of the current control levels to the Mission for this SO, but we recognize that we have a credibility and performance legacy to overcome. We believe that we have an important opportunity for impact on the Ethiopian agricultural and food security sector that makes this worth the effort.

<b>STRATEGIC OBJECTIVE 1:</b> INCREASED AVAILABILITY OF SELECTED DOMESTICALLY PRODUCED FOOD GRAINS <b>APPROVED:</b> 12/94 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME:</b> Increased Availability of Selected Domestically Produced Food Grains			
<b>INDICATOR 1:</b> Increased volume of food grains purchased by private merchants			
<b>UNIT OF MEASURE:</b> Million metric tons	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
<b>SOURCE:</b> FAO/WFP Crop Assessment; FEWS/Ethiopia; MSU/MEDAC Grain Market Research Project	1990 (B)		0.84
<b>INDICATOR DESCRIPTION:</b> Volume of food grain purchased by private merchants is a proxy for the marketable surplus (which is estimated to be between 18% to 22% of total production) excluding the amount purchased by government agencies.  <b>COMMENTS:</b> Figures are for national level.  Targets for volume of food grains purchased by the private sector are really to ensure that the private sector maintains its predominant role. Increased volumes can also be a reflection of increased marketed surplus. Mission also tracks at the sub IR level, the percentage of marketed surplus handled by the private sector.	1995		N/A
	1996	NA	1.5
	1997	1.7	1.7
	1998	1.8	
	1999	1.9	
	2000	2.0	

<b>STRATEGIC OBJECTIVE 1:</b> INCREASED AVAILABILITY OF SELECTED DOMESTICALLY PRODUCED FOOD GRAINS <b>APPROVED:</b> 12/94 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME:</b> Increased Availability of Selected Domestically Produced Food Grains			
<b>INDICATOR 2:</b> Increased per capita availability of domestically produced food grains			
<b>UNIT OF MEASURE:</b> kg/capita	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
<b>SOURCE:</b> FAO/WFP Crop Assessment; FEWS/Ethiopia; MSU/MEDAC Grain Market Research Project	1994 (B)		118
<b>INDICATOR DESCRIPTION:</b>  <b>COMMENTS:</b> Figures are for national level.  Targets for per capita availability are based on using the FAO minimum standard of 135 kgs, and showing improvement over that minimum that can be set as targets towards the GFDRE target of 191 kgs.	1995		179
	1996	NA	217
	1997	140	155
	1998	150	
	1999	170	
	2000	175	



**STRATEGIC OBJECTIVE 1:** INCREASED AVAILABILITY OF SELECTED DOMESTICALLY PRODUCED FOOD GRAINS **APPROVED:** 12/94 **COUNTRY/ORGANIZATION:** USAID/ETHIOPIA

**RESULT NAME:** IR2: Increased Efficiency of Grain Markets

**INDICATOR :** Producer price as percent of market retail prices in selected markets

**UNIT OF MEASURE:** Percent share for maize, wheat & teff

**SOURCE:** Grain Market Research Project (GMRP)

**INDICATOR DESCRIPTION:**

The higher the percentage the more birr producers receive for their cereal production.

**COMMENTS:**

\* - 1988/89 is taken as a baseline to show the market situation before liberalization. The government begun liberalizing grain market in March 1990.

\*\* - The current Grain Market Research Project ends in 1998.

YEAR	PLANNED	ACTUAL
1988/89* (B)		44 (M) 58 (W) 60 (T)
1997	86 (M) 92 (W) 92 (T)	88 (M) 92 (W) 92 (T)
1998(T)**	87 (M) 92 (W) 92 (T)	

## STRATEGIC OBJECTIVE 2 : INCREASED USE OF PRIMARY AND PREVENTIVE HEALTH CARE SERVICES

### I. PROGRESS TOWARD OBJECTIVE

USAID/Ethiopia believes that Strategic Objective 2 has met its performance expectations for FY 1997. Delays in negotiating the parameters of a Demographic and Health Survey (DHS) have not yet permitted us to have a full set of data to measure progress towards the SO.

#### SO 2 Indicators

1. Percent of national population using facility based health services
2. Contraceptive prevalence rate (nationally)

However, the GFDRE has now agreed to do a comprehensive DHS in May of 1999 which will be co-financed by USAID and the Japanese.

Preliminary results are expected to be available before the end of the year. As a proxy measure of SO progress, service statistics indicate that modern contraceptive use currently stands at 8% nationwide, compared to 2% (measured through a national sample survey) in 1990. All of this reflects a trend towards improved access to and use of

quality services in Ethiopian health care institutions. This could not have been achieved without community level participation, which is an important component of all activities under this SO.

Activities under this SO contribute directly to achieving the second major goal of the Mission Program Plan to *promote sustainable development in Ethiopia*. It also supports the Agency's Strategic Plan goal of *stabilizing world population and protecting human health*.

Improving access to quality health services is one of the highest priorities of the Ethiopian government, and USAID's program is directly supportive of their efforts. In December 1996, the GFDRE launched the development of a Health Sector Development Program (HSDP) which will provide a framework for both government and donor investment in the health sector. The HSDP mirrors USAID priorities, and our SO and the HSDP are consistent at the policy, strategic and operational levels. As one of the largest bilateral donors in the health sector we continue to play a major role in the ongoing development of the HSDP. Finally, as Chair of the HPN Donors Group, we have also greatly influenced strategic planning and the direction of donor assistance to the health sector.

The four intermediate results contributing to this SO are: 1) increased resources dedicated to the health sector, particularly primary and preventive health care; 2) increased access to and demand for modern contraceptive services in focus areas; 3) enhanced capacity of Ethiopian society to expand access to and use of STI/HIV/AIDS services in response to the epidemic; and 4) increased use of integrated primary and preventive health care (PPHC) in the Southern Nations, Nationalities and Peoples Region (SNNPR).

In response to indications that the HIV/AIDS epidemic in Ethiopia is growing at an alarming rate, we developed and approved a re-targeted results package this year to strengthen STI/HIV/AIDS activities under this SO. This package was developed through a highly participatory process with our partners and stakeholders and focuses on increasing advocacy; development and implementation of an effective STI/HIV AIDS policy; multi-sectoral

approaches to address the problem, and local empowerment. As a result, our previous IR "increased STI/HIV/AIDS prevention and control in focus areas" was changed to "enhanced capacity of Ethiopian society to expand access to and use of STI/HIV/AIDS services in response to the epidemic".

## **IR 1: INCREASED RESOURCES DEDICATED TO THE HEALTH SECTOR, (PARTICULARLY PRIMARY AND PREVENTIVE HEALTH CARE)**

Under-financing of the health sector is a major constraint to PPHC service delivery in Ethiopia. USAID's interventions are geared towards 1) increased government budgetary allocations to the sector with emphasis on PPHC; 2) institutionalizing cost recovery and revenue retention; and, 3) the encouragement of private sector investment in service delivery. Initial focus has been on the first intervention, laying the ground work for the second two.

Following our NPA conditionality, budgetary allocations to health have continued to increase over the last two years, by about \$25 million. Moreover, there has been a shift in the composition of the national budget in favor of health from 3% in 1992 to 6.3% in 1998. Within the health budget, there has been a shift in favor of PPHC from 43% in 1993 to 52% in 1998 <sup>1</sup>. This has meant an 11% annual increase over the last three years of resources allocated to family planning services, pre and post natal care and delivery, ORT, ARI management, malaria treatment, immunizations, STD/HIV AIDS control and infant nutrition. Furthermore, the HSDP now under design clearly indicates GFDRE's commitment to increase resources to PPHC.

## **IR 2: INCREASED ACCESS TO AND DEMAND FOR MODERN CONTRACEPTIVES IN FOCUS AREAS**

Focus under this IR is on increasing access and demand for modern contraceptives by 1) increasing the number of NGO family planning service delivery points and providers; 2) increasing the number of condom and oral contraceptives socially marketed; 3) increasing the knowledge of women; and 4) increasing government capacity to deliver modern family planning services. Support to the latter is at a nascent stage as USAID's primary focus under this IR has been directed to NGOs.

### **IR 2 Indicator**

Number of  
Couple-Years  
protection

USAID partners provided the means for over 244,000 couples to plan their families last year, a hundred percent increase from 1995. Though there is an upward trend in couple-year protection (CYP), there is a slight shortfall in meeting the 1997 targets. This shortfall was the direct result of new customs regulations which imposed a duty on donated contraceptives and led to shortages of contraceptives for donor supported programs, particularly at the beginning of the year. The MOH now pays duties on condoms for our PSI/DKT program, and data now indicates an upward trend in condom distribution. We are confident this will continue, and targets will be met.

Momentum gained through partner bridging activities was slowed this reporting period due to the time it took to establish a true partnership with the public, private, and donor sectors to jointly manage this activity. While we took the time to develop a sound partnership built on mutual trust and African ownership, this led to a delay in implementing sub-grants under the

### **A New Perspective in Life**

Yirbeb is a 33 year old housewife who lives in a remote village in the mountains of northern Ethiopia. After the birth of her sixth child, Yirbeb was hospitalized for complications and counseled by her doctor to visit a USAID-supported family planning clinic. At the clinic, Yirbeb was counseled on available methods and chose to have long-term contraceptive implants. She said, "I thought it was going to be painful, but I am alright". With a glance at her husband, she adds, "I no longer want to be pregnant and suffer and bring misery to my family. I only wish for God to make my children grow strong and healthy. To my friends and neighbors, I will say that I am now in a new life, a better life."

ESHE Project.

On the other hand, there has been excellent progress under this IR in increasing the number of NGO service delivery points (SDPs) for modern contraceptive methods. The number of SDPs has almost doubled (from 54 sites in 1996 to 102 sites in 1997). The number of trained people providing family planning services has increased four fold from 131 to 608. The Ministry of Health and the National Office of Population, and technical assistance from USAID supported NGO partners designed a National Community Based Distribution (CBD) Protocol and Curriculum which is now the nationwide standard for the provision of community based reproductive health services by both the private and public sector.

Innovative advertising of the Hiwot Trust Condom on inter-city and regional buses and taxis, and in several languages on radio resulted in increased demand. This year over 1,400 Hiwot Trust radio spots were aired reaching approximately 6 million people. In addition, advertisement of condoms on the government-run TV station this year is estimated to have reached 2 million people. Another 600,000 targeted audiences were provided education on reproductive health and its benefits. All of this has directly contributed to the increase in CYP.

### **IR 3: ENHANCED CAPACITY OF ETHIOPIAN SOCIETY TO EXPAND ACCESS TO AND USE OF STI/HIV/AIDS SERVICES IN RESPONSE TO THE EPIDEMIC.**

#### **IR 3 Indicator**

Increased number of public, private and NGO health care facilities in focus areas using a systematic approach to STI/HIV/AIDS interventions that include treatment, counseling, care and control procedures.

The HIV/AIDS epidemic in Ethiopia has increased from zero cases reported in 1984 to an estimated adult seroprevalence of 5.2% in 1996. Recent seroprevalence studies show that the rate of spread of HIV infection is alarming. Efforts to stem the rate of spread in the early days of the epidemic were encouraging but have not been maintained by the GFDRE. Recognizing a need for reviving and building on previous intervention efforts, we developed and approved an expanded results package (RP) for STI/HIV/AIDS through a highly

participatory and consultative process that involved various sectoral public and private organizations. Our revised RP will strengthen the integration of STI/HIV/AIDS activities under this SO, and develop capacity for Ethiopians to address the AIDS epidemic in this country by drawing upon lessons learned from other African countries and the previous USAID/Ethiopia Support To AIDS Control (STAC) project. Progress toward this IR will be reported on next year.

While we did not meet our target for social marketing of condoms through PSI/DKT this fiscal year (reflected under IR 2), we were able to integrate a systematic approach to STI/HIV/AIDS interventions into 50% of Pathfinder's existing reproductive health programs. These activities have ensured continuity between USAID/E's highly successful STAC project and the re-targeted HIV/AIDS Results Package. Finally, this past year we supported a highly innovative and successful IEC intervention to increase public awareness of HIV/AIDS among road transport workers and passengers with the Ethiopian Road Transport Authority and seven transport companies. Nearly 3,400 labor union members, board members and transportation managers were exposed to this campaign. Peer educators were recruited and trained, and a variety of dramas, poems, songs, stickers and manuals were developed, along with 1500 radio cassettes of traditional music containing prevention and care messages that were aired throughout the country in public transport facilities.

#### **IR 4: INCREASED USE OF INTEGRATED PRIMARY AND PREVENTIVE HEALTH CARE (PPHC) DELIVERY IN THE SOUTHERN NATIONS, NATIONALITIES AND PEOPLES' REGION (SNNPR)**

##### **IR 4 Indicators**

1. Proportion of children (12-23 mths) fully vaccinated in SNNPR
2. Proportion of women of reproductive age (15 - 49 yrs) who have received ante-natal care in SNNPR
3. Proportion of women of reproductive age who have received family planning services in SNNPR

We are beginning to see impressive results after two years of effort to strengthen health delivery systems and institutional capacity in our focus region, the SNNPR. In this region of 11 million people, use of primary and preventive health care (PPHC) services in focus zones has increased from 28 percent in 1995 to 37 percent in 1997. Family planning coverage has increased by 25 percent, from 6% in 1996 to 7.5% in 1997. Antenatal care visits have increased by 92 percent, from 27.2% in 1996 to 52.2 % in 1997. Immunization coverage for the third dose of

DPT (a proxy indicator for children completely immunized) increased from 59.7% in 1996 to 80.4% in 1997. Measles immunizations coverage increased from 45.7% in 1996 to 61% in 1997. These results have been achieved through several interactive activities undertaken to strengthen the capacity of the Regional Health Bureau and improve the quality of health care at service delivery points. In order to make better quality information available for decision making and enhance the capacity of health personnel to use the information for local planning, five woreda (district) health offices were provided with improved planning tools, including a template for updating health profiles and linking district health planning to information from data collection sites. This activity will be expanded throughout the region. By upgrading the regional Health Professional Training Institute(HPTI) and two new HPTIs in the region with new equipment, furniture, and improved teaching techniques and training, more than 117 nurses have been trained and assigned to different health institutions, improving the nurse to population ratio from 1:23,621 to 1:19,072. Successful strengthening of HPTIs in the SNNPR has led to a national workshop that disseminated this success to nearly all the regional health bureaus in the country.

Additionally, all IRs under this SO contribute towards the achievement of this IR. For example, NPA conditions led to a regional health budget allocation increase from 14% to 16%, contributing to increased availability of PPHC services at health facilities. Increased

use of contraceptives in the SNNPR was synergistically linked to our efforts to integrate our larger program of increasing access to and demand for contraceptives into our program in the SNNPR.

In an effort to increase customer orientation of the program, community surveys have been carried out and highly participatory community action plans have been developed in five localities in the SNNPR to address key behaviors that impact maternal and child health. In all these communities, health committees have been established and are playing an active role in developing and implementing plans and activities to address priority community concerns. Our GFDRE partners are extremely interested in this local empowerment, and we are trying to develop sustainable mechanisms to expand this activity in the region.

## **II. EXPECTED PROGRESS THROUGH FY 2000 AND MANAGEMENT ACTIONS**

An external evaluation of activities under this **SO** was carried out in late 1997. The evaluation and subsequent discussions with our GFDRE partners confirmed that the purpose and performance indicators of the program remain valid. However, we need to refine some of our ongoing activities and implementation mechanisms, to increase our ability to improve the capacity of the GFDRE to sustain the program.

As a first step in transferring more ownership and management authority to our GFDRE partners, we will undertake financial and procurement assessments of the central MOH and the SNNPR health bureau to determine their capacity to directly manage procurement of technical assistance, commodities, training and limited construction. We will also work hand in hand with our GFDRE partners in developing a scope of work for external technical assistance in implementing activities under the SO. The GFDRE is also expected to participate in the selection of the contract team.

USAID will continue to play a leading role in the development of the HSDP for Ethiopia. We will also look for USAID/W assistance in helping us to harmonize USAID procurement and reporting requirements with policies and procedures that will be put in place under the HSDP. We will continue as well with our efforts to use the HSDP process as a mechanism to leverage and expand our health activities on a national scale.

Under **IR 1** we will continue to support increased budgetary allocation to health care as well as a shift in the health budget in favor of PPHC through our non-project assistance. However, because a major constraint to increasing such allocations has been a low utilization rate of the government budget, progress on this front will only be feasible if planning for resources within the sector improves, or if absorptive capacity increases. USAID/E believes that inappropriate allocations among different expenditure items within the health budget have contributed significantly to the poor utilization rate. Therefore, in the coming two years, USAID will concentrate more on promoting better sectoral planning and budget development. This will also be complemented by results from SO 4's decentralization component that is aimed at, among other things, improving systems for budget development.

USAID will push for accelerated approval of a revised HCF strategy and support its implementation. USAID will also support a study to assess government guidelines and procedures related to private sector investment in health care, and interventions will be crafted

based on the findings of such a study.

Under **IR 2**, activities to date have been limited to intervention in the NGO sector. Per the recent evaluation, and in response to a request by public sector partners, we will focus on activities to develop increased government capacity to deliver modern family planning services.

Activities under **IR 3** will begin in earnest when a contractor is in place later this year. We will focus initially on the development and implementation of an effective national HIV/AIDS policy. We will also strengthen the capacity of public and private sector health facilities to expand access to and use of STI/HIV/AIDS services, especially in the SNNPR. Community level prevention and mitigation strategies that focus on youth will also be developed, and at the same time a linkage will be formed between our primary education activities under SO 3 to develop a nationwide Family Life Education curriculum. Finally, in conjunction with SO 4's NGO capacity building, more NGOs will carry out activities to prevent and mitigate the HIV/AIDS epidemic.

Under **IR 4** USAID will attempt to achieve more impact by continuing to strengthen the integration of activities under other IRs in the SNNPR, especially reproductive health. USAID will provide refresher courses on integrated PPHC services to all health workers in the region; all woredas within the region will update health profiles and use the information for health planning, and an HMIS will be put in place and used by all health facilities within the region. As USAID's experience and success grows, USAID will also develop mechanisms to convey our achievements and lessons learned to all regions in the country.

**STRATEGIC OBJECTIVE 2:** INCREASED USE OF PRIMARY AND PREVENTIVE HEALTH CARE (PPHC) SERVICES    **APPROVED:** 11/08/1995    **COUNTRY/ORGANIZATION:** USAID/ETHIOPIA

**RESULT NAME:** Increased use of Primary and Preventive Health Care (PPHC) Services

**INDICATOR 1:** Percent of population using facility based health services (national level)

**UNITS OF MEASURE:** Percent

**SOURCE:** Central Statistics Authority /Demographic Health Survey

**INDICATOR DESCRIPTION:** Use is dependent on supply, access, demand and quality of services and will be measured by the number of visits per year.

**COMMENTS:**

a) After several years of negotiation, the GFDRE has signed a formal agreement to conduct a Demographic and Health Survey to collect national household level statistics on fertility, family planning, and maternal and child health. This much awaited survey will take place in early 1999 and will provide essential baseline information on the health status of the Ethiopian population.

b) Use of PPHC services in the SNNPR has increased from 28 percent in 1995 to 37 percent in 1997.

c) Reliable data is not available for this indicator for the earlier years of the program. An estimate of national use of health facilities was obtained from the MOH and is used as a baseline. This figure will be verified when data is officially collated and published.

**YEAR**

**PLANNED**

**ACTUAL**

1997  
(B)

22%

1998

25

1999

30%

2000

40%

EOP(T)

50%



**STRATEGIC OBJECTIVE 2: INCREASED USE OF PRIMARY AND PREVENTIVE HEALTH CARE (PPHC) SERVICES**    **APPROVED:** 11/08/1995    **COUNTRY/ORGANIZATION:** USAID/ETHIOPIA

**RESULT NAME:** Increased use of Primary and Preventive Health Care (PPHC) services

**INDICATOR 2:** Contraceptive Prevalence Rate (CPR)

<b>UNITS OF MEASURE:</b> Percent  <b>SOURCE:</b> National Family Fertility Survey, DHS  <b>INDICATOR DESCRIPTION:</b> Per cent of women of reproductive age who use modern contraceptives (Contraceptive Prevalence Rate) disaggregated by settlement ----- a) National; b) Urban c) Rural  <b>COMMENTS:</b> * Until the completion of a Demographic and Health Survey in 1999, national service statistics will be used to reflect use of modern contraceptives.	YEAR	PLANNED	ACTUAL
	1990 (B)		a) <1.4% b) <7.0% c) <2.0%
	1997	a) 1.8% b) 9.0% c) 2.4%	(a) 8%*
	1998	a) 2.0% b) 10.0% c) 2.6%	
	1999	a) 2.5% b) 11% c) 2.9%	
	2000	a) 3.0% b) 12% c) 3.2%	
	EOP(T)	a) >4.0% b) 15.0% c) 4.0%	

**STRATEGIC OBJECTIVE 2: INCREASED USE OF PRIMARY AND PREVENTIVE HEALTH CARE (PPHC) SERVICES**      **APPROVED: 11/08/1995**      **COUNTRY/ORGANIZATION: USAID/ETHIOPIA**

**RESULT NAME: IR1: Increased Resources Dedicated to the Health Sector (particularly PPHC)**

**INDICATOR:** \$ per capita expenditure in the health sector (Proxy Indicator 1: Government budget allocated to the health sector)

**UNIT OF MEASURE:** Percent of government budget allocated to health

**SOURCE:** MOF & MEDAC budget documents, Negarit Gazette (where available)- a government journal where proclamations and regulations are promulgated.

**INDICATOR DESCRIPTION:**

- \$ per capita expenditure in the health sector is a direct indicator for this IR. This indicator is measured every three years and, according to the mission's PMP, is scheduled for 1998. Meanwhile, proxy indicators are used for measuring progress on this intermediate result.

-Budgetary allocations attributable to health as a percent of the total government budget. This indicates the government's commitment to provide resources to the sector.

**COMMENTS:** A review of the health sector budgets suggests that there are weaknesses in planning for resource allocations. To a large extent increases to the health budget have been driven by expansion of the sector; i.e., construction of new facilities. Such expansion is not accompanied by commensurate increases in recurrent expenditures. Moreover, there are critical absorption issues associated with the capital expenditures of the budget which continues to rise faster than the recurrent budget. Thus it was decided to support a slower rate of increase in the health budget while introducing more activities related to sectoral planning and budget development; particularly with regard to promoting a better balance between capital and recurrent budgets. Indeed, better planning will increasingly determine the extent to which resources to the sector can continue to grow in the future. Consequently, targets for this indicator have been revised and additional targets related to improved management of resources introduced at a lower (sub-IR) level.

\*\* The Ethiopian fiscal year (EFY) runs from June 7th to June 6th of the following Gregorian year.

YEAR	PLANNED	ACTUAL
1995 (B)		5.8%
1996 (1988 EFY)**	>6%	6.2%
1997 (1989 EFY)**	6.2%	6.2%
1998 (1990 EFY)**	≥6.2%	
1999 (1991 EFY)**	≥ 6.2%	
2000 (1992 EFY)**	≥ 6.5%	
EOP(T)	≥7.0%	

<b>STRATEGIC OBJECTIVE 2: INCREASED USE OF PRIMARY AND PREVENTIVE HEALTH CARE (PPHC) SERVICES</b> <b>APPROVED:</b> 11/08/1995 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME:</b> IR1: Increased Resources Dedicated to the Health Sector (particularly PPHC)			
<b>INDICATOR:</b> \$ per capita expenditure in the health sector (Proxy Indicator 2: Government budget allocated to PPHC)			
<b>UNIT OF MEASURE:</b> Percent of health budget allocated to PPHC  <b>SOURCE:</b> Negarit Gazettea (where available) MOF & MEDAC budget documents  <b>INDICATOR DESCRIPTION:-</b> \$ per capita expenditure in the health sector is a direct indicator for this IR. This indicator is measured every three years and, according to the mission's PMP, is scheduled for 1998. Meanwhile, proxy indicators are used for measuring progress on this intermediate result.  - Allocations to PPHC as a percent of total government budget attributable to health. Budgetary allocation to health centers and health stations was taken as a measure of PPHC up to 1997. A more realistic measure defined as follows is used starting in 1998. Health center and health stations sub-head; 90% of all allocations to regional training centers; 50% of allocations to central training centers; allocations to malaria control, family health, AIDS prevention control of communicable diseases, TB and IE&C programs.  <b>COMMENTS:</b>  *Figures in parenthesis indicate allocations to PPHC according to the new definition of the indicator. It is presented here for purposes of comparison over time to allow a better presentation of the trend in resource allocation for PPHC. ** The Ethiopian fiscal year (EFY) runs from June 7th to June 6th of the following Gregorian year.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1993		31.5% (43%)*
	1996 (1988 EFY)**	>35%	36.3% (49.2%)*
	1997 (1989 EFY)**	>35%	35.1% (49%)*
	1998 (1990 EFY)**	50%	51.7%
	1999 (1991 EFY)**	> 50%	
	2000 (1992 EFY)**	55%	
	EOP (T)	> 55 %	

<b>STRATEGIC OBJECTIVE 2:</b> INCREASED USE OF PRIMARY AND PREVENTIVE HEALTH CARE (PPHC) SERVICES <b>APPROVED:</b> 11/08/1995 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME:</b> IR2: Increased Access to and Demand for Modern Contraceptives in Focus Areas			
<b>INDICATOR:</b> Number of Couple Years Protection (CYP) generated			
<b>UNITS OF MEASURE:</b> Number  <b>SOURCE:</b> Pathfinder Quarterly and Annual Reports PSI/DKT Monthly, Quarterly and Annual Reports  <b>INDICATOR DESCRIPTION:</b> CYP calculated as 14 OC = 1CYP 4 Depo = 1 CYP 1 IUD = 2.5 CYP 1 Norplant = 3.5 CYP 1 ML = 10 CYP 150 VFT = 1 CYP 150 condoms = 1 CYP  <b>COMMENTS:</b> 1. The previous "new client" indicator has been dropped as it is felt that this indicator lacked precise definition since clients discontinue, then return or switch from one source to another. In addition to measuring couple years protection, periodic measures of changes in contraceptive prevalence in focus areas will be done at the SO level. Abandoning this indicator was also a "technical suggestion" during last year's R4 review in Washington. Data reported on previous Years for New Clients was 1995 ( B) --- 24,006 1996     --- 38,607  2. The number of CYP generated through COFAP/Pathfinder and contraceptive social marketing has been combined for reporting purposes.  3. Due to late start of the OC social marketing (December 1996), the first year project target has been moved to 1997.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1995 (B)		105,000
	1996		214,000
	1997	312,316	244,567
	1998	400,000	
	1999	600,000	
	2000	800,000	
	EOP ( T)	1,200,000	

<b>STRATEGIC OBJECTIVE 2:</b> INCREASED USE OF PRIMARY AND PREVENTIVE HEALTH CARE (PPHC) SERVICES <b>APPROVED:</b> 11/08/1995 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME:</b> IR4: Increased use of integrated PPHC delivery in SNNPR			
<b>INDICATOR 1:</b> Proportion of children (12-23 months) fully vaccinated in SNNPR			
<b>UNITS OF MEASURE:</b> Percent of children aged 12 -23 months  <b>SOURCE:</b> Regional Health Bureau (RHB) Annual Reports  <b>INDICATOR DESCRIPTION:</b> Fully vaccinated means children age 12- 23 months who completed DPT 3 and Measles vaccination  <b>COMMENTS:</b> As project intervention is targeted towards both the urban and rural areas, the word "rural" has been removed from this IR .  Assumptions made include: a) that there is an adequate supply of essential commodities at service delivery points in the SNNPR; b) that improved information leads to better decision making; c) that SNNPR regional authorities endorse national health policies; and d) that increased availability and quality lead to increased use.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1995 (B)		39%
	1996		45.7%
	1997	65%	61% measles 80.4% DPT3
	1998	70%	
	1999	80%	
	2000	85%	
	EOP (T)	90%	

<b>STRATEGIC OBJECTIVE 2:</b> INCREASED USE OF PRIMARY AND PREVENTIVE HEALTH CARE (PPHC) SERVICES <b>APPROVED:</b> 11/08/1995 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME:</b> IR4: Increased use of integrated PPHC delivery in SNNPR			
<b>INDICATOR 2:</b> Proportion of women of reproductive age ( 15-49yrs) who have received ante-natal care in SNNPR			
<b>UNITS OF MEASURE:</b> Percent  <b>SOURCE:</b> Regional Health Bureau (RHB) Annual Reports  <b>INDICATOR DESCRIPTION:</b> ANC services include both new and repeated visits  <b>COMMENTS:</b> As project intervention is targeted towards both the urban and rural areas, the word "rural" has been removed from the IR statement.  Assumptions made include: a) that there is an adequate supply of essential commodities at service delivery points in the SNNPR; b) that improved information leads to better decision making; c) that SNNPR regional authorities endorse national health policies; and d) that increased availability and quality lead to increased use.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1995 (B)		26.2%
	1996		27.2%
	1997	47%	52.2%
	1998	65%	
	1999	75%	
	2000	80%	
	EOP (T)	85%	

<b>STRATEGIC OBJECTIVE 2:</b> INCREASED USE OF PRIMARY AND PREVENTIVE HEALTH CARE (PPHC) SERVICES <b>APPROVED:</b> 11/08/1995 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME:</b> IR4: Increased use of integrated PPHC delivery in SNNPR			
<b>INDICATOR 3:</b> Proportion of women of reproductive age ( 15-49 yrs) who have received family planning services in SNNPR			
<b>UNITS OF MEASURE:</b> Percent  <b>SOURCE:</b> Regional Health Bureau (RHB) Annual Reports  <b>INDICATOR DESCRIPTION:</b> FP services include both new and repeated visits  <b>COMMENTS:</b> As project intervention is targeted towards both the urban and rural areas, the word "rural" has been removed from this IR .  Assumptions made include: a) that there is an adequate supply of essential commodities at service delivery points in the SNNPR; b) that improved information leads to better decision making; c) that SNNPR regional authorities endorse national health policies; and d) that increased availability and quality lead to increased use.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1995 (B)		2.0%
	1996		6.0%
	1997	7.0%	7.5%
	1998	8.5%	
	1999	9.5%	
	2000	10.5%	
	EOP (T)	12.0%	

## STRATEGIC OBJECTIVE 3: QUALITY AND EQUITY IMPROVED IN AN EXPANDED SYSTEM OF PRIMARY EDUCATION

### I. PROGRESS TOWARD OBJECTIVE

USAID/Ethiopia believes this Strategic Objective (SO) has met and in some aspects exceeded performance expectations for the year. This SO contributes to Goal #2 in the Mission Performance Plan of *"Promoting Sustainable Development"*. This past year has seen efforts with our partners begin to mature and produce clear results. A review undertaken by the GFDRE in mid-'97 yielded a critical, but strongly positive assessment of our assistance in this sector, suggesting useful modifications, including extending and even increasing levels of technical assistance. This was a much needed and timely endorsement of an activity that began slowly and had many critics. More importantly, it gave USAID more leverage to positively influence the development of the large, multi-donor Education Sector Development Program (ESDP).

In terms of the SO level indicators, student access in USAID's focus regions (Tigray and the Southern Nations Nationalities and Peoples Region [SNNPR], totalling about 15 million people) has out-paced the national average of 30%, reaching nearly 50% in Tigray and over 40% in the SNNPR (10% and 40% increases for Tigray and SNNPR respectively from '94-'97). In girls education, our focus areas are also faring better than the rest of Ethiopia. In Tigray, the female share of Grade 4 enrollment increased from 42% to 45.2% over the past three years and in SNNPR it increased from 29.7% to 32%; an important achievement since Grade 4 is considered permanent literacy. We continue to seek practical indicators on the quality of education. A primary student assessment has finally been accepted by the GFDRE and is in development for reporting next year. A recent review of our indicators led to moving up two indicators on female dropout and retention rates as effective proxies for improvements in quality. As quality improves, dropout and repetition rates should decrease. At the start of the Community School Grants Program (CSGP) in Tigray, only 20% of the schools registered female drop out rates under 28% in grade 1. With the CSGP intervention, the percent of schools reached 40% this past year. Preliminary data from the SNNPR CSGP schools indicate the same trend.

Encouraged by the USAID NPA conditionalities, education now enjoys the largest sectoral share of the national budget (16% in '97). The focus regions have earmarked an even greater portion of their budgets to education, nearly 30% in '97. Within education, primary education has fared well with over half of the national, and over two-thirds of the focus region education budgets allocated to it. The ESDP and Program Action Plan provide the framework for the development of the entire education sector over the next five years, and is undergoing a final appraisal by a joint GFDRE/14 donor Mission. USAID has played a prominent role in its development and it fully reflects our objectives, with many of our initiatives being integrated in the Plan.

The five intermediate results contributing to this SO are: 1) improved quality and equity of primary school environment; 2) increased pedagogical effectiveness of the content and quality of educational materials; 3) improved performance and equity of teacher training; 4) improved decentralized management and administration of primary education; and 5) increased and more rational and efficient sectoral financing.

### IR 1: IMPROVED QUALITY AND EQUITY OF PRIMARY SCHOOL ENVIRONMENT

USAID believes the relationship between the community and the school must be strengthened to improve the learning-teaching environment, particularly for girls. The CSGP, which provides grants to communities to improve the physical and educational environments of the schools, is designed to strengthen the relationship of the two by acting as a catalyst for change. As schools and communities progress through the CSGP and forge a strong relationship, the quality and equity of the school environment will improve.

#### IR 1 Indicators:

1. % of CSGP schools that improved their physical infrastructure
2. % of CSGP schools that increased the availability of educational materials (text books, teaching aids, etc.)

#### SO 3 Indicators

1. Gross enrollment ratio for primary education (Grades 1-8)
2. Average raw score in Grade 8 National examination
3. Female share of Grade 4 enrollment
4. % of CSGP schools which have female dropout rate less than 28% in Grade 1
5. % of CSGP schools which have female repetition rate less than 11% in Grade 4

In Tigray, Phase I of the CSGP has already covered approximately 400 schools (out of 700 in the region), with 82 schools already advancing to Phase II and 34 in Phase III. The SNNPR's grant program began just six months ago, yet it is already providing Phase I support to 100 schools (out of 2,200 in the region). We assume progress made in Tigray will be mirrored in SNNPR's progress next year. In Tigray, Phase I grant activities focused to a large extent on physical rehabilitation. For schools in Phase II, there was a 19% increase in schools which procured educational materials and a 12% increase in schools with initiatives to enhance girls education such as providing incentives to girls, remedial support, guidance, and community sensitization.

Expected sub-results under this IR include: increased community involvement in primary education; improved school leadership and management; and increased number of women in leadership positions. To assess community involvement, the CSGP has monitored the various issues school committees have been tackling, the frequency with which they meet, and the extent of community contributions. School committees

have formed task forces that discuss and rectify the day-to-day problems of female students, including advising parents on early marriage and other cultural hindrances to girls' education. In both regions, Phase I grantees contributed three to five times the amount of the grant (grants equal approximately \$400). In communities which did not receive Phase II support, nearly half of them continued to actively support their schools, indicating a substantial level of sustained community involvement.

Finally, in order to improve the learning environment for children, schools must be better managed and teachers better prepared. Previously, specialized training for school directors was limited and ineffective. A well-coordinated need-based capacity building plan for school directors has been developed and is being implemented. An assessment of the training conducted last year in both regions revealed that more in-depth and problem-specific training is necessary. As a result, a site-based model school in-service program has been developed and is operational in the focus regions. One goal of this program is to increase the number of females in leadership positions through

#### THE COMMUNITY DECIDES

In a primary school not far from Adigrat (Tigray), large rocks are used as chairs in the classrooms. Unfortunately for second grader, Kiros, a snake that was using his rock as a hiding place got annoyed at Kiros and bit him. The incident aroused community concern about the poor classroom condition, and it was decided that something must be done. Luckily, the TDA agent had just introduced the CSGP to the village. Parents got together to discuss the school's problems and decided to cement the floors of all the classrooms. The CSGP provided the funds, the community provided labor and material. Kiros recovered and while he still sits on the rock, because of the thick cement slab, snakes no longer have access to the classroom.



increased female participation in the training. Progress and results will be available next year.

## IR 2: INCREASED PEDAGOGICAL EFFECTIVENESS OF THE CONTENT AND QUALITY OF EDUCATIONAL MATERIALS

USAID arrived at an opportune time when, in line with the new education policy, the Regional Education Bureaus (REBs) began developing new primary curricula. The last two years saw USAID fully engaged in regional and national curriculum development. All curriculum experts in the two regions have gone through a series of training seminars by USAID Advisors, as well as study tours. Their insights have been instrumental in making changes which would have been impossible otherwise. Prior to our assistance, there was little student-centered content in textbooks. Great strides have been made to change this in the focus regions. Today student-centered content includes dramas, debates, discussions in pairs or groups, as well as individual projects and assignments. Two years ago, only 5% of the material in textbooks in the SNNPR was student-centered. It has now reached roughly 30%. SNNPR uses eleven languages as the medium of primary instruction, as prescribed by law and local decisions. We helped build capacity in the area of multi-lingual curriculum development and teaching to off-set possible side-effects. Tigray only started developing their curriculum this past year and the percentage increase in student-centered content went from 5% to 15%.

### IR 2 Indicators:

1. % increase in student-centered content in environmental science, mathematics, and national languages for Grades 3 and 4
2. % increase in content relevant to pupils environment

Changes in the curriculum alone are insignificant unless delivery mechanisms are also student-centered. Supplementary materials reflecting changes towards the student are being developed and sent to schools on an annual basis. The Curriculum Departments in the focus regions have devised checklists to monitor whether commissioned writers included sufficient student-centered activities. Finally, the curriculum's relevance to the learning environment has been of particular importance to the curriculum developers and is being addressed.

USAID's intervention focused on two fronts: building the capacity of local curriculum "experts" and improving the process of feedback from schools to curriculum developers. The establishment of resource centers in the Curriculum Departments of both focus regions exposed experts to relevant reference material and trained them in their application. Workshops and seminars to solicit feedback from the schools continues in these centers,

which also serve as computer centers for training and support--applying technology where it is most useful. Overall, curriculum development has greatly enriched both the content and the quality of educational materials in the focus regions.

## IR 3: IMPROVED PERFORMANCE AND EQUITY OF TEACHER TRAINING GRADUATES

### IR 3 Indicators

% of graduates scoring over 2.75 GPA, out of 4, by gender

The Teacher Training Institute (TTI) curriculum, its delivery mechanism, and the whole primary teacher training environment in Ethiopia is detached from the reality of primary schools. USAID is engaged in improving the quality of trainees upon entry and graduation through better recruitment and instructional programs to provide them with the skills necessary to respond to the needs of the learner. Due to difficulties in placing a long term advisor at the Arba Minch TTI, activities have lagged. Indication of progress toward IR 3 is therefore based on the Awassa and Adwa TTIs.

The Awassa TTI (SNNPR) has registered continuous improvement in achievement for both sexes. Females graduating with distinction grew from a mere 4% in '95, to about 10% in '97 while male rates grew from 27% to 44% in the same time frame. The overall quality of the TTI has reached an exemplary level by national standards. It boasts the best resource center and micro-teaching laboratory in the country. Micro-teaching<sup>2</sup> has improved curriculum content and delivery methods. Visiting GFDRE members commented: "This is the TTI we all have been dreaming about. We wish others have the same opportunity to grow!"

Adwa TTI (Tigray) has registered a small, but steady growth of females scoring over 2.75 upon graduation (reaching 6% in '97 up from 2% in '94) while males remained at 15%. An equal percentage of females to males graduated from Adwa last year marking an 8% improvement from '94-'97.

## IR 4: IMPROVED DECENTRALIZED MANAGEMENT AND ADMINISTRATION OF PRIMARY EDUCATION

The management and administration of education has been one of the weakest spots of the system. The rapid devolution of functions and authority to regional administrative levels over the past four years without an adequate level of qualified personnel has added to the problem. USAID's focus on planning and policy as key areas of intervention with the MOE, the focus regions, and lower administrative levels have met with a cautious reception. We have begun to create awareness with key decision makers on the importance of policy analysis and formulation. We have also

### FEMALE STUDENTS TALKING

A group of female students at Awassa TTI praised the female support program as the best possible assistance to their needs. They reported the program gave them confidence and helped them express themselves more freely and openly in their classes and practice teaching sessions. One student, Tewabetch, said, "You have supported us professionally as well as personally, but what support is available for us when we are in our schools teaching?" Tewabetch was pleased to learn about the CSGP and the SLP, both of which offer the potential of direct assistance to schools and teachers.

Micro-teaching is the process of video-taping trainees during practice teaching in nearby primary schools and in peer teaching. The tapes are run again and commented upon in order to provide feedback to the trainee.

built a system for student learning assessment, and strengthening the education and information system at national and regional levels have been additional activities.

Another important on-going activity is capacity building and institutionalization of school mapping which identifies among other things, school location, number of teachers and students per school, and school age population for the area. Heretofore, planning was based solely on aggregate data gathered at the national/regional level. School mapping has transformed planning by allowing regional, zonal and district education offices to develop comprehensive demand and supply databases with micro-level information. Starting with support in Tigray, this powerful tool has gained acceptance and is planned for nationwide implementation with non-USAID funding. Initial skepticism has evolved to enthusiastic support by the government. The practical demonstration of the GIS has enabled us to leverage other donor support to provide nationwide coverage.

Although these activities contribute to the general capacity building effort, they have not been systematic, and have yet to touch on key skill areas. This has been aggravated by the unexpected resignation of all three planning advisors at the federal level and in the focus regions. We cannot yet claim significant progress on the indicators under this IR. On a positive note, new Planning and Policy Advisors have recently been assigned to both regions and have produced action plans that emphasize systematic capacity building.

Discussions with MOE at the central level have led to a different strategy to assure strong policy, planning and management capabilities. The Ministry envisages USAID support to encompass capacity building in key departmental functions so that a critical mass of expertise is created to undertake future planning and policy analysis functions. During the next few months, we intend to work closely with the MOE to redirect this IR.

## **IR 5: INCREASED AND MORE RATIONAL AND EFFICIENT SECTORAL FINANCING**

Some of USAID's most important reforms deal with educational financing and increasing the efficient utilization of available financing. USAID's NPA encouraged specific policy reforms and actions, as well as helping the GFDRE's budgetary burden by helping to pay off debt.

### **IR 5 Indicators**

1. share of national education budget out of total Government budget
2. share of primary budget out of education budget

Although the 16% target of education allocation is below the average allocation of most African countries, it is a significant increase from the 9% level just five years ago, and a significant allocation of funds in an overall budget being stretched to cover massive infrastructure and rebuilding investments. The share of primary education in this budget is also steadily heading towards the 60% target. The focus regions have continued to place even greater emphasis on the sector by allocating about a third of their overall budget to education with primary education sharing about three

quarters of their education budget. While budget allocations are favorable to the sector, the efficient management of available resources needs attention. The pupil/teacher ratio is nearer to the standard (1:50) in the focus regions, however, there is significant under-utilization of the teaching force in rural schools. During the past two years, both focus regions have attempted to allocate a small portion of their budget to each district education office to help them purchase educational materials for their schools. Although non-salary expenditures have not grown as expected, the community contributions to school have been growing rapidly. The draft ESDP indicates that non-salary allocations will increase as a means to raise the quality of education. USAID's support to computerize and rationalize personnel and budget data in the two regions has resulted in Tigray completing computerizing records of all education personnel, including the teaching staff, and relating it to its overall budget data.

## **II. EXPECTED PROGRESS THROUGH FY 2000 AND MANAGEMENT ACTIONS**

USAID/Ethiopia expects to meet or exceed most performance targets for this SO through FY2000, although there will be a struggle to maintain momentum and emphasis on quality of the primary education system during the start up of the ESDP. On the other hand, the ESDP, with an investment of almost U.S. \$2 billion anticipated for the sector over the next five years, means that financial allocations should continue to increase and surpass the 16% national education budget earmark. Primary education should attain our target of 60% as it is an emphasis area in both the new education policy and the ESDP. The ESDP projects attaining a gross enrollment ratio of 50% nationwide by 2001, and universal primary education by 2015. These targets reinforce USAID's focus in this sector, although attention to the possible negative impacts on the quality of education by such a rapid expansion will be necessary. We expect donor coordination under the ESDP to remain excellent.

Following the GFDRE review of our education efforts in 1997, the MOE met with us to identify sector priorities where they wanted our assistance. They included: in-service teacher training; student learning assessment; girls education; and educational media. The Mission intends to conduct an assessment later this year to determine where we currently are; where we can make the most impact; and how to strategically align our efforts with the new ESDP.

One major reason for optimism stems from the team building we have accomplished over the past year. Our efforts began in the rough waters of the decentralization of a highly centralized system, rapid staff turnover, and unskilled personnel. Through dedicated and intense dialogue with our partners and the establishment of structured working groups/teams we have built team spirit and a common vision. The MOE now sees our assistance as useful to the educational development of the country as a whole. A clear example of this is that the annual implementation plan, which took months during the first year to negotiate, required only a few days last year -- clear evidence of our new common goals.

<b>STRATEGIC OBJECTIVE 3: QUALITY AND EQUITY IMPROVED IN AN EXPANDED SYSTEM OF PRIMARY EDUCATION   APPROVED: 29/09/1994</b> <b>COUNTRY/ORGANIZATION: USAID/ETHIOPIA</b>			
<b>RESULT NAME:</b> Quality and Equity Improved in an Expanded System of Primary Education			
<b>INDICATOR 1:</b> Gross enrollment ratio of primary education (Grades 1-8) by gender			
<b>UNIT OF MEASURE:</b> Percent enrolled of all ages out of the total primary school age population  <b>SOURCE:</b> Regional Education Bureaus  <b>INDICATOR DESCRIPTION:</b> Gross Enrollment ratio = total enrollment of all ages in primary education divided by the total school age population. The school age for primary education in Ethiopia is considered to be between 7 and 14.  <b>COMMENTS:</b>  In the SNNPR, there was over a 30% increase in enrollment in 1995/96. That is why there was nearly a 10% growth in the participation rate.  M = Male; F = Female; T = Total B= Baseline	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1995 (B)		Tigray: M = 49.0% F = 38.0% T = 43.7%  SNNPR: M = 39.5% F = 17.4% T = 29.0%  Ethiopia: M = 31.7% F = 20.4% T = 26.2%
	1996		Tigray: M = 49.2% F = 39.6% T = 45.0%  SNNPR: M = 51.5% F = 23.0% T = 38.6%  Ethiopia: M = 36.2% F = 22.3% T = 29.4%
	1997	Tigray: M = 50.0% F = 42.0% T = 46.0%  SNNPR: M = 52.0% F = 25.0% T = 39.0%  Ethiopia: M = 40.0% F = 25.0% T = 37.0%	Tigray: M = 50.0% F = 40.1% T = 47.0%  SNNPR: M = 56.5% F = 24.5% T = 40.9%  Ethiopia: M = 38.6% F = 23.9% T = 31.4%
	1998	Tigray: M = 52.0% F = 44.0% T = 48.5%  SNNPR: M = 53.0% F = 28.0% T = 42.0%  Ethiopia: M = 42.0% F = 27.0% T = 34.0%	
	1999	Tigray: M = 55.0% F = 46.0% T = 51.0%  SNNPR: M = 54.0% F = 32.0% T = 43.0%  Ethiopia: M = 45.0% F = 30.0% T = 37.0%	
	2000	Tigray: M = 55.0% F = 47.0% T = 52.0%  SNNPR: M = 54.0% F = 34.0% T = 45.0%  Ethiopia: M = 46.0% F = 31.0% T = 39.0%	

<b>STRATEGIC OBJECTIVE 3: QUALITY AND EQUITY IMPROVED IN AN EXPANDED SYSTEM OF PRIMARY EDUCATION</b> <b>APPROVED: 29/09/1994</b> <b>COUNTRY/ORGANIZATION: USAID/ETHIOPIA</b>			
<b>RESULT NAME:</b> Quality and Equity Improved in an Expanded System of Primary Education			
<b>INDICATOR 2:</b> Score from primary student assessment in Tigray and the Southern Nations, Nationalities and Peoples (SNNPR) regions ( <b>Proxy:</b> Average raw score in Grade 8 national examination)			
<b>UNIT OF MEASURE:</b> Score out of a hundred <hr/> <b>SOURCE:</b> Regional Education Bureaus <hr/> <b>INDICATOR DESCRIPTION:</b> <hr/> <b>COMMENTS:</b> B =Baseline  a. Scores from the primary student assessment which had been expected this year (as indicated in previous R4) did not materialize. The regions are trying to pilot the program in the current year.  b. While Tigray is showing progress, the SNNPR is declining. The rapid growth in enrollment in the region may have a counter effect on quality.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1995 (B)		Tigray: 51.0% SNNPR: 43.0%
	1996		Tigray: 51.0% SNNPR: 45.0%
	1997	Tigray: 52.0% SNNPR: 45.0%	Tigray: 53.4% SNNPR: 38.0%
	1998	Tigray: 53.0% SNNPR: 40.0%	
	1999	Tigray: 54.0% SNNPR: 41.0%	
	2000	Tigray: 55.0% SNNPR: 42.0%	
<b>STRATEGIC OBJECTIVE 3: QUALITY AND EQUITY IMPROVED IN AN EXPANDED SYSTEM OF PRIMARY EDUCATION</b> <b>APPROVED: 29/09/1994</b> <b>COUNTRY/ORGANIZATION: USAID/ETHIOPIA</b>			
<b>RESULT NAME:</b> Quality and Equity Improved in an Expanded System of Primary Education			
<b>INDICATOR 3:</b> Female Share of Grade 4 Enrollment			
<b>UNIT OF MEASURE:</b> Percent <hr/> <b>SOURCE:</b> Regional Education Bureaus <hr/> <b>INDICATOR DESCRIPTION:</b> <hr/> <b>COMMENTS:</b> Data reported in FY99 R4 for the SNNPR was inflated since the data was taken from preliminary reports from the region. The figure has been adjusted based on final reports.  B = Baseline	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1995 (B)		Tigray: 42.5% SNNPR: 29.7%
	1996	NA	Tigray: 44.0% SNNPR: 30.0%
	1997	Tigray: 45.0% SNNPR: 32.0%	Tigray: 45.2% SNNPR: 32.0%
	1998	Tigray: 46.0% SNNPR: 34.0% ..0.	
	1999	Tigray: 48.0% SNNPR: 36.0%	
	2000	Tigray: 49.0% SNNPR: 38.0%	
<b>STRATEGIC OBJECTIVE 3: QUALITY AND EQUITY IMPROVED IN AN EXPANDED SYSTEM OF PRIMARY EDUCATION</b> <b>APPROVED: 29/09/1994</b> <b>COUNTRY/ORGANIZATION: USAID/ETHIOPIA</b>			
<b>RESULT NAME:</b> Quality and Equity Improved in an Expanded System of Primary Education			
<b>INDICATOR 4:</b> Percent of CS GP assisted schools which have female dropout rate less than 28%* in Grade 1			

<b>UNIT OF MEASURE:</b> Percent  <b>SOURCE:</b> Tigray Development Association (TDA) and World Learning Incorporated (WLI)  <b>INDICATOR DESCRIPTION:</b> * 28% mark reflects national drop-out rate for Grade 1 in 1995/96  <b>COMMENTS:</b> **Due to start-up delay with CSGP program in SNNPR, baseline data for SNNPR was unavailable until 1997.  B = Baseline	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996		(B) Tigray: 15.0% SNNPR: **
	1997	Tigray: 20.0%	Tigray: 22.2% (B) SNNPR: 70.0%
	1998	Tigray: 24.0% SNNPR: 71.0%	
	1999	Tigray: 26.0% SNNPR: 72.0%	
	2000	Tigray: 30.0% SNNPR: 75.0%	

<b>STRATEGIC OBJECTIVE 3:</b> QUALITY AND EQUITY IMPROVED IN AN EXPANDED SYSTEM OF PRIMARY EDUCATION <b>APPROVED:</b> 29/09/1994 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME:</b> Quality and Equity Improved in an Expanded System of Primary Education			
<b>INDICATOR 5:</b> Percent of CSGP assisted schools with female repetition rate less than 11%* in Grade 4			
<b>UNIT OF MEASURE:</b> Percent <hr/> <b>SOURCE:</b> Regional Education Bureaus <hr/> <b>SOURCE:</b> TDA & WLI <hr/> <b>INDICATOR DESCRIPTION:</b> * 11% mark reflects national level repetition rate for Grade 4 in 1995/96 <b>COMMENTS:</b> **Due to start-up delay with CSGP program in SNNPR, baseline data for SNNPR was unavailable until 1997.  B = Baseline	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996		Tigray: 20.0% SNNPR: **
	1997	Tigray: 35.0%	Tigray: 36.8% (B) SNNPR: 33.0%
	1998	Tigray: 38.0% SNNPR: 35.0%	
	1999	Tigray: 40.0% SNNPR: 37.0%	
	2000	Tigray: 42.0% SNNPR:38.0%	

<b>STRATEGIC OBJECTIVE 3: QUALITY AND EQUITY IMPROVED IN AN EXPANDED SYSTEM OF PRIMARY EDUCATION</b> <b>APPROVED: 29/09/1994</b> <b>COUNTRY/ORGANIZATION: USAID/ETHIOPIA</b>			
<b>RESULT NAME:</b> IR1: Improved quality and equity of the primary school environment			
<b>INDICATOR 1:</b> Percent of CSGP assisted schools that improved physical infrastructure			
<b>UNIT OF MEASURE:</b> Percent  <b>SOURCE:</b> Tigray Development Association (TDA) and World Learning Incorporated (WLI)  <b>INDICATOR DESCRIPTION:</b> Examples of improving physical infrastructure include construction of class rooms, addition of tables, chairs, etc.  <b>COMMENTS:</b> a. * Baseline years for this result and sub-results are 1995/96 and 1996/97 for Tigray and SNNPR respectively since the CSGP intervention started late and at different times for the two focus regions. b. Phase 1 schools focus on physical rehabilitation as experience has shown. As schools progress to Phases II and III in later years, the percentage for physical rehabilitation will decline as initiatives begin to focus on quality and equity activities [see indicators 2 & 3]  c. 600, 400 and 200 schools are targeted to be covered in Phases I, II and III respectively in Tigray.  d. 800, 600 and 400 schools are targeted to be covered in Phases I, II and III respectively in SNNPR.  e. The CSGP are rolling in both regions so that some schools could just be starting Phase I while others have progressed to Phases II and III. B = Baseline	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996		(B)Tigray: 0%
	1997	Tigray: 100%	Tigray: 100% (B)SNNPR:0%
	1998	Tigray: 75% SNNPR: 100%	
	1999	Tigray: 65% SNNPR: 75%	
	2000	Tigray: 60% SNNPR: 75%	

<b>STRATEGIC OBJECTIVE 3: QUALITY AND EQUITY IMPROVED IN AN EXPANDED SYSTEM OF PRIMARY EDUCATION</b> <b>APPROVED:</b> 29/09/1994 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME:</b> IR1: Improved quality and equity of primary school environment			
<b>INDICATOR 2:</b> Percent of CS GP assisted schools that increased availability of procured educational materials			
<b>UNIT OF MEASURE:</b> Percent  <b>SOURCE:</b> TDA & WLI  <b>INDICATOR DESCRIPTION:</b> Educational materials include textbooks, teaching aids, etc  <b>COMMENTS:</b> B = Baseline	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996		(B)Tigray: 6.0%
	1997	Tigray: 30.0%	Tigray: 25.0% (B)SNNPR:20.0%
	1998	Tigray: 50.0% SNNPR:30.0%	
	1999	Tigray: 60.0% SNNPR: 50.0%	
	2000	Tigray: 65.0% SNNPR: 60.0%	



<b>STRATEGIC OBJECTIVE 3:QUALITY AND EQUITY IMPROVED IN AN EXPANDED SYSTEM OF PRIMARY EDUCATION</b> <b>APPROVED:</b> 29/09/1994 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME:</b> IR1: Improved quality and equity of primary school environment			
<b>INDICATOR 3:</b> Percent of CSGP assisted schools with initiatives to enhance girls education			
<b>UNIT OF MEASURE:</b> Percent  <b>SOURCE:</b> TDA & WLI  <b>INDICATOR DESCRIPTION:</b> Initiatives include incentive to girls, remedial support, guidance/ counseling, gender awareness /community sensitization programs etc.  <b>COMMENTS:</b> NA = not applicable for 1996 since SNNPR was still under Phase I implementation. Phase II and III grants will shift from improvements to physical infrastructure and the procurement of educational materials to equity enhancing initiatives.  B = Baseline	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996		(B)Tigray: 8.0% SNNPR: NA
	1997	Tigray: 25.0%	Tigray: 21.0% (B)SNNPR: 0%
	1998	Tigray: 30.0% SNNPR: 20.0%	
	1999	Tigray: 40.0% SNNPR: 40.0%	
	2000	Tigray: 50% SNNPR: 50%	

<b>STRATEGIC OBJECTIVE 3: QUALITY AND EQUITY IMPROVED IN AN EXPANDED SYSTEM OF PRIMARY EDUCATION</b> <b>APPROVED:</b> 29/09/1994 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME:</b> IR2: Increase in the pedagogical effectiveness of the content and the quality of educational materials			
<b>INDICATOR 1:</b> Increase in proportion of student-centered content in environmental science, math, and national language for Grades 3 & 4			
<b>UNIT OF MEASURE:</b> Percent  <b>SOURCE:</b> Regional Education Bureaus  <b>INDICATOR DESCRIPTION:</b> Student-centered content is content besides just information that enhances student enquiry, analysis and conclusions, that helps students learn by themselves. The content will be estimated in every page through content analysis technique and percent of student-centered content will be calculated.  <b>COMMENTS:</b>  a. The three subjects and grades are thought to be representative of the subjects and grades at the primary level.  b. Baseline year for Tigray is 1995/96 since the old curriculum was in operation until then  B=Baseline	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1995		(B)SNNPR: 5.0%
	1996	SNNPR:10.0%	(B)Tigray: 5.0% SNNPR: 10%
	1997	Tigray: 10.0% SNNPR: 25.0%	Tigray: 15.0% SNNPR: 30.0%
	1998	Tigray: 20.0% SNNPR: 40.0%	
	1999	Tigray: 30.0% SNNPR: 50.0%	
	2000	Tigray: 40.0% SNNPR: 55.0%	

<b>STRATEGIC OBJECTIVE 3: QUALITY AND EQUITY IMPROVED IN AN EXPANDED SYSTEM OF PRIMARY EDUCATION</b> <b>APPROVED:</b> 29/09/1994 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME:</b> IR2 : Increase in the pedagogical effectiveness of the content and the quality of educational materials			
<b>INDICATOR 2:</b> Increase in the proportion of content relevant to pupils environment			
<b>UNIT OF MEASURE:</b> Percent  <b>SOURCE:</b> Regional Education Bureaus  <b>INDICATOR DESCRIPTION:</b> Relevant content will be quantified and the proportion will be calculated through content analysis technique.  <b>COMMENTS:</b>          B=Baseline	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1995 (B)		(B)SNNPR: 50.0%
	1996 (B)	SNNPR: 60.0%	(B)Tigray: 10.0% SNNPR: 60.0%
	1997	Tigray: 25.0% SNNPR: 70.0%	Tigray: 20.0% SNNPR: 70.0%
	1998	Tigray: 35.0% SNNPR: 75.0%	
	1999	Tigray: 50.0% SNNPR: 80.0%	
	2000	Tigray: 60.0% SNNPR: 85.0%	

<b>STRATEGIC OBJECTIVE 3: QUALITY AND EQUITY IMPROVED IN AN EXPANDED SYSTEM OF PRIMARY EDUCATION</b> <b>APPROVED:</b> 29/09/1994 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME:</b> IR3: Improved performance and equity of teacher training graduates			
<b>INDICATOR :</b> Graduates scoring over 2.75 GPA, out of 4, by gender			
<b>UNIT OF MEASURE:</b> Percent  <b>SOURCE:</b> Teacher Training Institutes (TTI)  <b>INDICATOR DESCRIPTION:</b> Number of graduates scoring over an average of 2.75 upon graduation divided by total number of graduates multiplied by a hundred  <b>COMMENTS:</b> The two focus regions have three TTIs which are the only ones provided with USAID assistance out of the 13 TTIs in the country.  1997 is the baseline year for Arba Minch TTI.  M = Male; F = Female B= Baseline	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1995 (B)		<b>Adwa:</b> M - 15.0% F - 2.3% <b>Awassa:</b> M - 26.9% F - 3.9%
	1996	<b>Adwa:</b> M - 15.0% F - 3.0% <b>Awassa:</b> M - 27.0% F - 5.0%	<b>Adwa:</b> M - 15.0% F - 3.0 % <b>Awassa:</b> M - 34.4% F - 3.9%
	1997*	<b>Adwa:</b> M - 15.0% F - 4.0% <b>Awassa:</b> M - 35.0% F - 6.0%	<b>Adwa:</b> M - 15.0% F - 4.0% <b>Awassa:</b> M - 44.0% F - 9.6% <b>Arba Minch:(B)</b> M - 19.0% F - 4.0%
	1998	<b>Adwa:</b> M - 18.0% F - 6.0% <b>Awassa:</b> M - 45.0% F - 12.0% <b>Arba Minch:</b> M - 25.0% F - 6.0%	

<b>STRATEGIC OBJECTIVE 3:</b> QUALITY AND EQUITY IMPROVED IN AN EXPANDED SYSTEM OF PRIMARY EDUCATION <b>APPROVED:</b> 29/09/1994 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME:</b> IR3: Improved performance and equity of teacher training graduates			
<b>INDICATOR :</b> Graduates scoring over 2.75 GPA, out of 4, by gender			
	1999	<b>Adwa:</b> M - 20.0% F - 8.0% <b>Awassa:</b> M - 45.0% F - 14.0% <b>Arba Minch:</b> M - 27.0% F - 8.0%	
	2000	<b>Adwa:</b> M - 21.0% F - 8.5% <b>Awassa:</b> M - 48.0% F - 15.0% <b>Arba Minch:</b> M - 28.0% F - 9.0%	

<b>STRATEGIC OBJECTIVE 3: QUALITY AND EQUITY IMPROVED IN AN EXPANDED SYSTEM OF PRIMARY EDUCATION</b> <b>APPROVED:</b> 29/09/1994 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME:</b> IR5: Increased and more rational and efficient sectoral financing			
<b>INDICATOR 1:</b> Share of national education budget out of total government budget			
<b>UNIT OF MEASURE:</b> Percent  <b>SOURCE:</b> MOE/MOF  <b>INDICATOR DESCRIPTION:</b>  <b>COMMENTS:</b> B= Baseline	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1995 (B)		13.1%
	1996	14%	16.3%
	1997	16%	16%
	1998	16%	
	1999	16%	
	2000	16%	

<b>STRATEGIC OBJECTIVE 3: QUALITY AND EQUITY IMPROVED IN AN EXPANDED SYSTEM OF PRIMARY EDUCATION</b> <b>APPROVED: 29/09/1994</b> <b>COUNTRY/ORGANIZATION: USAID/ETHIOPIA</b>			
<b>RESULT NAME:</b> IR5: Increased and more rational and efficient sectoral financing			
<b>INDICATOR 2:</b> Share of primary budget out of total national education budget			
<b>UNIT OF MEASURE:</b> Percent  <b>SOURCE:</b> MOE/MOF  <b>INDICATOR DESCRIPTION:</b>  <b>COMMENTS:</b>  B = Baseline	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1995 (B)		47.3%
	1996		51%
	1997	53%	53%
	1998	55%	
	1999	57%	
	2000	58%	

## STRATEGIC OBJECTIVE 4: EFFECTIVE GOVERNMENT AND CIVIL SOCIETY ORGANIZATIONS DEVELOPED TO PROMOTE ACCOUNTABILITY AND PARTICIPATION I. PROGRESS TOWARD OBJECTIVE

Since the submission of last year's R4, this SO has been redesigned to narrow, focus and more realistically capture the results of our assistance activities. Although the SO has been restated and narrowed, the Mission feels that at the IR level performance targets for the year have been met. This SO contributes directly to Goal 1 - "Encouraging Continued Evolution Towards Democracy" - of the U.S. Mission Performance Plan for Ethiopia. See Section IV, 2 "Restatement of SO4" for discussion. Despite the recent restating of the SO, we are able to report solid results for all three IRs in the revised activity over the past year. Under IR 1 (Decentralization), reform of the financial systems at both the federal and regional levels has moved forward and stakeholder participation in the design of these reforms has been particularly noteworthy. Under IR 2 (Judiciary), the judicial training program has clearly met its targets of increased judicial knowledge and improved understanding of judicial independence. Under IR 3 (civil society), both the enabling environment for NGOs and NGO capacity has improved.

### IR 1: EFFECTIVE AND PARTICIPATORY DECENTRALIZATION

Progress has been somewhat slower than anticipated on this IR, but as stated above, overall performance has met expectations. Perhaps more importantly, the GFDRE remains firmly at the helm of Civil Service Reform (CSR) in Ethiopia, and unlike the situation in many African countries, this reform is not being driven by outside donors. Our ability to respond to this monumental restructuring and decentralization effort under this IR mirrors the GHAI's principle of African Ownership by rooting our efforts in local priorities, and responding to opportunities and taking advantage of national efforts wherever possible.

USAID assistance was requested by the GFDRE to work with them on their CSR efforts in the critical areas of financial management; on budgets, expenditure planning, accounts, and macro-economic policy issues in the Prime Minister's Office. Reforming financial systems at both the federal and regional levels is crucial to promoting and establishing sound financial decentralization, also referred to as fiscal federalism.

In order to foster **effective and transparent resource allocation and management systems** at the federal and regional levels, efforts focused on three major areas this year: budget reform; accounts reform; and introducing expenditure planning. In all three sub-areas, our targets have been met.

**Budget Reform:** Version 1 of the budget manual was completed this year based on extensive consultation with federal and regional authorities. It deals with coordinating the budgeting process in federal ministries and regional institutions. If adopted, the recommendations in the manual will have significant effects on the budget process and financial regulations. A federal government budget policy paper has also been prepared and should be promulgated and then incorporated into the federal financial law. The potential impact of this policy paper includes promoting the comprehensive management of expenditure (elimination of off-budget expenditure); linking public expenditures to government policy; limiting expenditure to revenue and debt targets; balancing capital and recurrent expenditure; preparing budgets according to a calendar, and fully funding and promptly disbursing budgets.

#### IR 1 Indicators

1. *Effective and transparent resource allocation and management systems functioning at federal and regional levels.*
2. *Increased stakeholder participation in the design and implementation of the reform strategy.*
3. *Improved capacity for macroeconomic management.*

**Accounts Reform:** Accounts reform is working through a three pronged approach to provide: assistance to weak accounting units to clear up the backlog in the closing of accounts; a training program that provides basic and specialist job training in the areas of reform; and procedural reforms that will improve and expand the existing accounts system. In these areas, **accounts assistance has already helped the government reduce its backlog of unclosed accounts from four to two years in the period of less than a year.**

**Public Investment Program (Introducing Expenditure Planning):** In Phase I of this assistance, a Public Investment Program (PIP), which will program capital expenditure for three years will be implemented first at the federal level and then extended to the regions. A study of the organization, staffing and management of expenditure planning has been completed and is being reviewed. The PIP has been designed, a call letter has been prepared but not yet released, and a manual has been prepared. The PIP will compliment the important Sector Investment Programs (SIPs) being introduced in the social (health and education) and economic (roads) sectors

by providing resource ceilings to all sectors.

**Stakeholder participation** has been fundamental in the development of the above areas of reform. This is not only a development prerequisite for sustainability, but a mandate by the GFDRE's ownership of the CSR program. Extensive consultation at the federal and regional level have taken place on reform awareness and designing appropriate solutions. Although the process has been slow, we are confident that it is the only way to ensure sustainability and therefore success.

#### IR 2 Indicators

1. *Improved legal knowledge of regional high court judges.*
2. *Increased understanding of judges on practical applications of judicial independence.*

Fiscal federalism also requires coherence of **macroeconomic policy**. The policy component is providing assistance to the principal economic advisor in the Prime Minister's Office. Two forms of assistance are being provided: the development of a macro model and select reviews of critical policy issues. The macro model now under development will assist policy makers in understanding and managing fiscal and monetary aggregates, and consultations have been provided on specified macroeconomic policy issues. In essence, USAID has a prominent seat at the table in guiding how macroeconomic policy is being made in Ethiopia.

### IR 2: STRENGTHENED JUDICIAL SYSTEM

The judicial training program which is contributing to achieving this IR has clearly met its targets of increased judicial knowledge and improved understanding of judicial independence. The program has been conducted in all nine regions, training over 300 judges and 148 regional officials, many of



whom had little or no formal legal training. USAID/Ethiopia is strengthening the judiciary in order to ensure that legal rights through the judicial system are enforced. For this to happen, courts must function, judges must be knowledgeable of the law, and law-based decisions must be made in a fair, consistent and impartial manner. USAID is assisting in all these areas.

### Judicial Independence

*148 regional officials nationwide associated with the judiciary participated in discussions on judicial independence and constitutional rights. Discussion effects ranged from enlightenment to hot debate:*

- In one region, regional officials debated with trainers on whether judicial independence applied to their region despite the constitutional mandate.*
- In another region, a regional official admitted in a speech to training program participants, "Now we know that we do not have judicial independence in our region, but we will try better."*
- A regional supreme court president reported "a great change" in her region's judges' understanding of judicial independence immediately after the training program.*

Ethiopia's transition from a Marxist regime to a federalist system has left the judiciary extraordinarily weak and underdeveloped. Cases take years to resolve; courts have limited financial and administrative capacity; and there is no tradition of out-of-court settlements. Compounding the problems of a weak judiciary is the lack of trained legal professionals. The blanket dismissal of judges who served under the Derg regime resulted in a loss of institutional memory from the bench. ***Most of the newly appointed judges have barely a high school education, no legal education, and hardly any legal training at all!*** Today, many courts remain woefully understaffed as they try to cope with crushing caseloads. Ethiopia's two law schools cannot meet the demand for judges, and institutionalized in-service legal training is non-existent.

USAID is involved in two activities which strengthen Ethiopia's judicial system. To meet the judiciary's immediate need, USAID's judicial training program **strengthens the knowledge of regional high court judges and encourages judicial independence.** To improve the sustainability of the strengthening of the judiciary, USAID is negotiating a **partnership with the Federal Supreme Court (FSC)** to institutionalize the judicial training program.

**Legal Knowledge:** *90% of judges reported that their legal knowledge was improved as a result of USAID's Judicial Training Program. (Source: Nationwide post training evaluation.)*

The judicial training program is teaching basic legal concepts to regional high court judges who are making decisions for Ethiopian citizens on a daily basis. The box demonstrates both the practical nature of the training and the very basic legal knowledge of regional judges. USAID is in the process of gathering data on the number of judgements of trainees/judges that cite laws and legal principles before and after training in each region. By comparing the baseline of pre training numbers of citations with post training numbers, it will be possible to evaluate a trend in the use of legal provisions to support judgments. This will supply long term information on whether the combination of the distribution of legal codes and the training has a measurable impact on how judges apply legal knowledge in the court room.

**Judicial Independence:** *"I had no idea I was not supposed to discuss cases with judges." - Comment by regional official after training on judicial independence.*

According to the Ethiopian Constitution, the judiciary is established as an independent authority that operates free from interference or influence of any governmental body/official or other source. Judicial independence, however, is a concept with no tradition in Ethiopia, and one week of each training is devoted to training judges and regional officials on the concept and application of judicial independence. USAID was able to objectively verify interference at the regional high court level. 8% of judicial trainees reported that regional officials often talk with them about pending cases, 41% answered sometimes, 12% once/twice a year, and 40% said never. This will be used as a baseline to monitor judicial independence in the out years.

In the next year, USAID will work in **partnership with the FSC** to institutionalize the training program. This will benefit both the federal and regional judiciaries: the Federal Court will be strengthened as an institution by the establishment of judicial training under its auspices; the regional courts will benefit by the establishment of a training office which will ensure long-term training for their judges. And both courts will have common interests in the operation of the training program which strengthens the judicial system as a whole. USAID and the FSC will coordinate the establishment of a training office that will compliment an ongoing court administration project sponsored by Canadian CIDA also housed at the FSC that will coordinate regional training and nationwide workshops that respond to the needs of the judiciary. Ownership of judicial training by the judicial branch will strengthen the judiciary as an independent branch of the government.

### IR 3: ORGANIZED SOCIETAL PARTICIPATION TO ADVANCE COMMUNITY INTERESTS INCREASED

Under IR 3, both the enabling environment for NGOs and NGO capacity have improved over the past year. The improved enabling environment is reflected by the number of NGOs registered and the routine nature of re-registration. In addition, dialogue on several levels has improved between NGOs and the government. Most importantly, we are beginning to see the beginnings of a viable and effective indigenous NGO community.

***In Ethiopia, civic associational life is extremely weak.*** The country's long history of highly centralized power has led to minimal participation in public

affairs. Today's situation is characterized by civil society organizations<sup>3</sup> in a nascent stage. Many are suspected by the government to be political actors rather than actors playing a legitimate role in the democratic process. **USAID's approach is to strengthen both sides of this equation by working to improve the enabling environment, including government understanding of the role of CSOs, and by strengthening the capacity of the fledgling CSOs.** This is a long term commitment with slow incremental change, but there has been significant progress this year.

**The enabling environment for CSOs has improved over the last year** as reflected in the number of NGOs registered by the Ministry of Justice (MOJ), the routine and speedy re-registration process experienced by NGOs and the registration of some NGOs which work in the D/G arena. Pact, our partner in this IR, was able to obtain numbers on MOJ registration for a six month period only, July-December 1997. These numbers report on three categories of registrations. Of 184 new NGOs requesting registration 42 are registered, 7 were rejected and 53 have received MOJ approval but are awaiting line Ministry approval for final registration. We do not have information regarding the remaining 82, but, it is assumed that they are in process of being registered which can take up to a year. There was concern that the required yearly re-registration would be used as a de-registration or delay of registration, but such was not the case. Of 80 NGOs registered with the MOJ in 1996 (all for a one year period) 63 were routinely re-registered in a timely fashion. Based on these 6 month figures, we estimate that over 100 NGOs have been registered in a twelve month period.

Within the enabling environment, it is hoped that the future will witness the publication of clear registration procedures including a reasonable timeframe for the application process, regular consultation between CSOs and government on common issues, and that the media will have a better understanding and reflection of NGO operations. Some progress has already been made on these fronts. The MOJ continues to work on the development of clear transparent registration procedures, without which the registration process continues to be cumbersome, time consuming and at times arbitrary. A joint GFDRE committee has been established to formulate new legislation governing NGOs. As the present legislation dates to the 1960s, this is a positive step. There have been numerous promises from various levels of government that NGO input will be solicited. NGO participation in public hearings, if invited, will reflect a major improvement.

Activities targeting government/NGO consultations are contributing to improved relations. On the local level several NGOs which had serious problems with local government officials, including arrests in 1996, have been invited by local government to conduct activities in their areas this year. In 1997, government and NGOs have established committees to collaborate on implementing projects including work between the police and NGOs on street children issues, and the Ministry of Labor and Social Affairs has established a committee to dialogue with NGO representatives that will be used as a model for other ministries.

Work with the media as a means of improving the views held by the public and government of NGOs has already been begun. Private and government media do not work well together, but despite these differences they were in sync in portraying NGOs in a bad light. For the first time ever, Pact brought them together with NGOs to identify ways of working together and accurately reporting on NGO activities. The meeting was a major success and broke down the barriers of misunderstanding. The media is now scheduled for NGO site visits. That coupled with other positive actions such as providing the NGOs with a media guide book which provides guidance on how to utilize the media to publicize positive stories, a press kit of human interest stories about NGO activities, and a directory of NGOs to allow the media easy access, has resulted in more positive media coverage of NGO activities.

**The institutional capacity of NGOs has improved markedly** resulting in more effective and efficient NGOs, with improved planning, financial management, and project implementation. A total of 35 NGOs have been assessed using Pact's Organizational Capacity Assessment Tool (OCAT), an assessment which was originally resisted by the NGOs and viewed as threatening, but now sought after. In fact, the OCAT is even used by NGOs when soliciting other donor funding to indicate their level of organizational capacity. Based on these assessments, tailored training and mentoring has been provided to strengthen NGOs. 17 NGOs now have strategic plans in place, 19 have prepared project proposals, 8 have monitoring and evaluation systems, 16 have improved financial and management systems and 3 have been audited with excellent reports.

The strategic planning exercise has forced NGOs to examine their vision and the individual projects they implement. Since the strategic plans are reviewed collaboratively with local government, it has given the NGOs an opening to begin a dialogue with them about their programs, and it has given the government a clear idea of what the NGOs are about, hence reducing the level of intimidation and suspicion on both sides.

USAID/Pact's approach to increasing societal participation is one of the best examples of the GHAI principle of African ownership. As space is created for CSOs and government to come together, they are charting their own future and laying the foundation for a departure from the centralized and unaccountable days of old.

#### IR 3 Indicators

1. *Increase in the number of CSOs registered and re-registered.*
2. *Increased number of CSOs with effective strategic management plans & financial systems.*

## II. EXPECTED PROGRESS THROUGH FY2000 AND MANAGEMENT ACTIONS:

With regard to the redesign, a thorough analysis is put forward in Section III. In response to the analyses carried out last year, USAID's new IRs and results packages will promote: increased accountability over executive authority through strengthening the judiciary and the decentralization process; increased pluralism through a strengthened civil society; building capacity to help make federalism work; and strengthening and expanding civil society to balance the powers of an overly extensive state. USAID/Ethiopia believes that based upon the redesign of the IRs and their good performance over the past year that the prospects for achieving performance targets at the IR level through FY 2000 are positive.

By FY 2000 we foresee many positive outcomes. Under IR 1 (Decentralization), the PIP will be extended to all regions, appropriate national and regional stakeholders will fully participate in the design and implementation of financial policy reforms, and the effects of the macroeconomic model will lead to more informed decisions with regard to the economy. Under IR 2 (Judiciary), judges' improved legal knowledge will result in increased judgements supported by citations of legal principles and increased efficiency of the courts to close cases and reduce backlogs. Judicial independence will be strengthened by the institutionalization of the training program at the FSC. Under IR 3 (Civil Society), NGO registration will be a routine practice and at least 90 NGOs will have sound strategic and management systems in place. CSOs will also participate in public policy formulation of CSO related issues.

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<sup>3</sup> CSOs are defined broadly to encompass organizations which operate outside of government such as non-governmental organizations (NGOs), associations, media, foundations, etc.



<b>STRATEGIC OBJECTIVE 4: EFFECTIVE GOVERNMENT AND CIVIL SOCIETY ORGANIZATIONS DEVELOPED TO PROMOTE ACCOUNTABILITY AND PARTICIPATION</b> <b>APPROVED: **** COUNTRY/ORGANIZATION: USAID/ETHIOPIA</b>			
<b>RESULT NAME: IRI: Effective &amp; Participatory Decentralization</b>			
<b>INDICATOR 1: Effective &amp; transparent resource allocation &amp; management systems functioning at federal &amp; regional levels.</b>			
UNIT OF MEASURE: An analysis of effectiveness  <hr/> SOURCE: HIID  <hr/> <b>INDICATOR DESCRIPTION:</b> Degree to which systems governing resource allocation & management at the federal and regional levels function effectively and transparently  <hr/> <b>COMMENTS:</b> PIP = Public Investment Programs  PEP = Public Expenditure Plan  * - Approval date for the old SO --05/1992	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1995-96(B)		1.1 Budget: Poor expenditure composition; dual budgets(separation of capital & recurrent); off budget financing; budgets not linked to plans; uncertainty in externally financed capital budget; poor budget structures & expenditure codes, inadequate training. 1.2 Accounts: Substantial backlog, inadequate procedures; poor definition of responsibilities; rote understanding of functions/lack of conceptual understanding; not management oriented; ineffective as control mechanism due to delays in closing/auditing accounts, inadequate training. 1.3 PIP: Existing system merely listing of projects with one year horizon; projects not related to sectoral strategies; planning not done within a macro or sectoral resource envelope; link between PIP & budget unclear, not used for aid management.
	1997	1.1. Budget: Improved line-item budget (budget codes, chart of accounts, budget calendar, budget preparation) developed and implemented; 1.2. Accounts: Reduced backlog; improved procedures (efficient/timely reporting; efficient book-keeping) developed and implemented; 1.3. PIP: Conceptual awareness of what a PIP is (briefing papers, seminars) delivered. Design of procedures, calendar of implementation for PIP completed. Implementation of PIP started.	1.1 Budget: Budget manual, budget policy paper, budget issues paper prepared and under review.  1.2 Accounts: Backlog reduced from 4 years to 2 years. Procedural reforms team formed and planning reform process. Development of an in-service training strategy and work on training materials.  1.3 PIP: Design of PIP, manual, policy paper, issues paper completed.
	1998	1.1. Budget: Improved line-item budget (budget classification, expenditure codes, formats). Development of budget training. 1.2. Accounts: Reduce backlog; review of accounts system; development & delivery of specialist capacity training, accounts policy and issues paper. 1.3. PIP: Implementation of PIP at federal level. Development of PIP data base. Design of PIP pilot for regions.	
	1999	1.1. Budget: Improved line item budget (implementation, organization, staffing, management, work plans, unit costs, budget norms). Improved aid management. Delivery of specialist budget training. 1.2. Accounts: Backlog eliminated. Design of the expanded accounts system. Development & delivery of expanded accounts training. 1.3. PIP: Implementation of pilot PIP in 2 regions. Design and delivery of PEP at federal level. Development of planning training program.	
	2000	1.1. Budget: Strengthen line item budget. Consolidate recurrent & capital budgets. Introduce activity based budgeting. 1.2. Accounts: Development of self accounting procedures. Develop training in self accounting. 1.3. PIP: Extend PIP to all regions. Develop PEP design for regions.	

<b>STRATEGIC OBJECTIVE 4: EFFECTIVE GOVERNMENT AND CIVIL SOCIETY ORGANIZATIONS DEVELOPED TO PROMOTE ACCOUNTABILITY AND PARTICIPATION</b> <b>APPROVED: ****</b> <b>COUNTRY/ORGANIZATION: USAID/ETHIOPIA</b>			
<b>RESULT NAME:</b> IR1: Effective & Participatory Decentralization			
<b>INDICATORS 2:</b> Increased stakeholder participation in the design and implementation of the reform strategy.			
<b>UNIT OF MEASURE:</b> An analysis of level of participation  <b>SOURCE:</b> HHID  <b>INDICATOR DESCRIPTION:</b> Degree to which active stakeholder involvement exists in design and implementation of key reforms  <b>COMMENTS:</b> Stakeholders are GOE officials at the regional and federal levels working on financial/economic/planning issues * - Approval date for the old SO --05/1992	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1995-96(B)		Participation at regional level limited by absence of: a) Commitment (perceived need); b) Structure (committee composition), c) Capacity (technical & analytic skills), d) Resources (information, staff, time, funds, etc.). Reforms largely conceived and designed at federal level. Some regional & line ministry participation in problem identification, but only limited consultation on identification of solutions; limited understanding of reform process at regional level; limited understanding of devolution at federal level; limited relevance to local circumstances.
	1997	Continual collaborative process at federal & regional levels with stakeholders on reform awareness & understanding of constraints leading to solutions/designs. Regional stakeholders selectively consulted during design of reforms; but primary involvement as implementors of policy defined at federal level.	Continual review with stakeholders of regional planning, budgeting, accounting needs. Consultation on in-service financial management training strategy at all levels. Consultation with federal level on PIP design.
	1998	Continued collaborative design at federal & regional levels. Implementation via partnership and local modification of design.	
	1999	Stakeholders continue to be collaboratively involved in design, implementation and evolution/modification of reforms.	
	2000	Increasing participation & ability to effectively participate in design & implementation.	

STRATEGIC OBJECTIVE 4: EFFECTIVE GOVERNMENT AND CIVIL SOCIETY ORGANIZATIONS DEVELOPED TO PROMOTE ACCOUNTABILITY AND PARTICIPATION <b>APPROVED: ****</b> <b>COUNTRY/ORGANIZATION: USAID/ETHIOPIA</b>			
<b>RESULT NAME:</b> IR1: Effective & Participatory Decentralization			
<b>INDICATOR 3:</b> Improved capacity for macroeconomic management			
<b>UNIT OF MEASURE:</b> Narrative  <b>SOURCE:</b> HHID  <b>INDICATOR DESCRIPTION:</b>  <b>COMMENTS:</b>  Not able to project beyond 1998 as future activities based on consultation with the Prime Minister's Office (PMO).* - Approval date for the old SO --05/1992	YEAR	PLANNED	ACTUAL
	1995-96(B)		Inadequate organization of macroeconomic data. No model for macroeconomic management. Few staff trained in the interpretation of macroeconomic data. Questions about select policy issues.
	1997	Review of the macro-economic policy needs of the Prime Minister's Office & determine areas of assistance. Development of a macro model. Development of policy unit & selective policy studies.	Review of the needs of PMO (staffing, organization, modelling, policy analysis) completed. Provision of a study on the potential for cereal exports. Identification of assistance staff. Data gathering. Model development.
	1998	Presentation of model, refinement of the model, development of a macro-policy team, identification of gaps in the macroeconomic data. Training of staff in use of models, interpretation of model results and data. Provision of selective policy studies.	
	1999	TBD	
	2000	TBD	

<b>STRATEGIC OBJECTIVE 4: EFFECTIVE GOVERNMENT AND CIVIL SOCIETY ORGANIZATIONS DEVELOPED TO PROMOTE ACCOUNTABILITY AND PARTICIPATION</b> <b>APPROVED: *****</b> <b>COUNTRY/ORGANIZATION: USAID/ETHIOPIA</b>			
<b>RESULT NAME: IR2: Strengthened Judicial System</b>			
<b>INDICATOR 1 : Improved legal knowledge of regional high court judges</b>			
<b>UNIT OF MEASURE:</b> Percent of judges (trainees)  <hr/> <b>SOURCE:-</b> pre/post training surveys; interviews; court data  <hr/> <b>INDICATOR DESCRIPTION:-</b> Percent of regional judges reporting improved legal knowledge as result of judicial training program  <hr/> <b>COMMENTS:-</b> It is expected that when legal knowledge of judges is improved, courts' efficiency will increase. Therefore, in the long term number of cases decided per region will increase; backlogs and time to resolve cases will be reduced; and there will also be an increase in out-of-court settlements. Moreover, USAID/Ethiopia has a long term plan to institutionalize the training program with the Federal Supreme Court. Progress on this will be reported in the out years.  In 1996, USAID engaged in consultations with federal and regional courts on training program. Therefore, 1996 targets and actual data reflect the process.  MTU = Mobile Training Unit* -  Approval date for the old SO --05/1992	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1995 (B)		<ul style="list-style-type: none"> <li>- Judiciary is weak, overburdened, lacks sufficient staff and funds, but showing increased signs of independence.</li> <li>- Most citizens denied full protection provided in constitution because many regional judiciaries remain weak and unable to protect new constitutional rights.</li> <li>- Many civil and criminal judges were quickly trained and assigned to regions during transition, but a shortage of trained and competent judges still exists.</li> <li>- Government making concerted efforts to identify and train replacements for lower court judges dismissed for corruption, incompetence or abuse of authority.</li> <li>- A shortage of legal materials, including codes and treatises, exists in the regional courts.</li> <li>- A very limited training capacity for future judicial officials presently exists.</li> </ul>
	1996	<ul style="list-style-type: none"> <li>- Proposal for judicial training program presented to joint meeting of federal and regional judiciary for approval.</li> <li>- Formation of Steering Committee consisting of federal/regional judicial officials and other legal experts to advise development of judicial training program.</li> <li>- Development of a judicial training program focused on regional high court judges.</li> </ul>	<ul style="list-style-type: none"> <li>- Proposal on judicial training developed by D/G Advisor, based on successful pilot training program.</li> <li>- Paper presented to joint session of regional/federal judicial officials in December 1995.</li> <li>- Regional/federal officials endorse training program concept and commission a steering committee to advise USAID in the development of the program.</li> <li>- Training curriculum developed; ten trainers trained to staff MTU in three week training course by judges, law professors and advocates. Regional judicial training initiated with first 3 weeks training course by MTU training 29 regional high court judges in the Somali Region in practical legal skills, with 86% of participants reporting judicial knowledge improved in all subjects.</li> </ul>

<b>STRATEGIC OBJECTIVE 4: EFFECTIVE GOVERNMENT AND CIVIL SOCIETY ORGANIZATIONS DEVELOPED TO PROMOTE ACCOUNTABILITY AND PARTICIPATION</b> <b>APPROVED: ****</b> <b>COUNTRY/ORGANIZATION: USAID/ETHIOPIA</b>			
<b>RESULT NAME: IR2: Strengthened Judicial System</b>			
<b>INDICATOR 1 : Improved legal knowledge of regional high court judges</b>			
	1997	<ul style="list-style-type: none"> <li>- Improved legal knowledge of regional high court judges</li> </ul>	<ul style="list-style-type: none"> <li>- 90% of over 300 trainees report in post training surveys that legal knowledge on all subjects has improved (40% of 90% report greatly improved) as a result of judicial training. Supplied set of legal codes to all trainees.</li> </ul>
	1998	<ul style="list-style-type: none"> <li>- More than 90% of regional high court judges report improved legal knowledge</li> <li>- Increased citations of legal principles and provisions to support judgments at regional level</li> <li>- Increased efficiency of regional courts to close cases; backlog of cases reduced</li> </ul>	
	1999	<ul style="list-style-type: none"> <li>- More than 90% of regional high court judges report improved legal knowledge</li> <li>- Increased citations of legal principles and provisions to support judgments at regional level</li> <li>- Increased efficiency of regional courts to close cases; backlog of cases reduced</li> </ul>	
	2000	<ul style="list-style-type: none"> <li>- More than 90% of regional high court judges report improved legal knowledge</li> <li>- Increased citations of legal principles and provisions to support judgments at regional level</li> <li>- Increased efficiency of regional courts to close cases; backlog of cases reduced</li> </ul>	



<b>STRATEGIC OBJECTIVE 4: EFFECTIVE GOVERNMENT AND CIVIL SOCIETY ORGANIZATIONS DEVELOPED TO PROMOTE ACCOUNTABILITY AND PARTICIPATION</b> <b>APPROVED: ****</b> <b>COUNTRY/ORGANIZATION: USAID/ETHIOPIA</b>			
<b>RESULT NAME: IR2: Strengthened Judicial System</b>			
<b>INDICATOR 2: Increased understanding of judges on practical application of judicial independence</b>			
<b>UNIT OF MEASURE:</b> Percent of judges (trainees)  <b>SOURCE:</b> pre/post training surveys; interviews; court data  <b>INDICATOR DESCRIPTION:</b> Percent of regional judges with an improved understanding of practical application of judicial independence in court room situation  <b>COMMENTS:</b> In 1996, USAID engaged in consultations with federal and regional courts on training program. Therefore, 1996 targets and actual data reflect the process.  USAID/Ethiopia has a long term plan to institutionalize the training program with the Federal Supreme Court. Progress on this will be reported in the out years.  MTU = Mobile Training Unit  * - Approval date for the old SO --05/1992	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1995 (B)		<ul style="list-style-type: none"> <li>- Judiciary is weak, overburdened, lacks sufficient staff and funds, but showing increased signs of independence.</li> <li>- Most citizens denied full protection provided in constitution because many regional judiciaries remain weak and unable to protect new constitutional rights.</li> <li>- Many civil and criminal judges were quickly trained and assigned to regions during transition, but a shortage of trained and competent judges still exists.</li> <li>- Government making concerted efforts to identify and train replacements for lower court judges dismissed for corruption, incompetence or abuse of authority.</li> <li>- A shortage of legal materials, including codes and treatises, exists in the regional courts.</li> <li>- A very limited training capacity for future judicial officials presently exists.</li> </ul>
	1996	<ul style="list-style-type: none"> <li>- Proposal for judicial training program presented to joint meeting of federal and regional judiciary for approval.</li> <li>- Formation of Steering Committee consisting of federal/regional judicial officials and other legal experts to advise development of judicial training program.</li> <li>- Development of a judicial training program focused on regional high court judges.</li> </ul>	<ul style="list-style-type: none"> <li>- Concept paper on judicial training developed by D/G Advisor, based on successful pilot training program.</li> <li>- Paper presented to joint session of regional/federal judicial officials in December 1995.</li> <li>- Regional/federal officials endorse training program concept and commission a steering committee to advise USAID in the development of the program.</li> <li>- Training curriculum developed; ten trainers trained to staff MTU in three week training course by judges, law professors and advocates. Regional judicial training initiated with first 3 weeks training course by MTU training 29 regional high court judges in the Somali Region in practical legal skills, with 86% of participants reporting judicial knowledge improved in all subjects.</li> </ul>

<b>STRATEGIC OBJECTIVE 4: EFFECTIVE GOVERNMENT AND CIVIL SOCIETY ORGANIZATIONS DEVELOPED TO PROMOTE ACCOUNTABILITY AND PARTICIPATION</b> <b>APPROVED: ****</b> <b>COUNTRY/ORGANIZATION: USAID/ETHIOPIA</b>			
<b>RESULT NAME: IR2:</b> <i>Strengthened Judicial System</i>			
<b>INDICATOR 2:</b> <i>Increased understanding of judges on practical application of judicial independence</i>			
<b>UNIT OF MEASURE:</b> Percent of judges (trainees)	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1997	- Increased understanding of judges on practical application of judicial independence	- 90% of over 300 trainee/judges report that understanding of judicial independence has improved (47% of 90% state greatly improved) as a result of judicial training program. 148 regional officials nationwide attended the training and participated in discussions on judicial independence.
	1998	- More than 90% of judges report increased understanding of practical application of judicial independence	
	1999	- More than 90% of judges report increased understanding of practical application of judicial independence	
	2000	- More than 90% of judges report increased understanding of practical application of judicial independence	

<b>STRATEGIC OBJECTIVE 4: EFFECTIVE GOVERNMENT AND CIVIL SOCIETY ORGANIZATIONS DEVELOPED TO PROMOTE ACCOUNTABILITY AND PARTICIPATION</b> <b>APPROVED: ****</b> <b>COUNTRY/ORGANIZATION: USAID/ETHIOPIA</b>			
<b>RESULT NAME: IR3: Organized Societal Participation to Advance Community Interests Increased</b>			
<b>INDICATOR 1: Increase in the Number of CSOs** registered &amp; re-registered</b>			
<b>UNIT OF MEASURE:</b> Number  <b>SOURCE:</b> Pact annual report, MOJ,  <b>INDICATOR DESCRIPTION:</b> Number of CSOs registered & re-registered with MOJ  <b>COMMENTS:</b> Baseline based on Pact "Ethiopian NGOs Needs Assessment"  * - Approval date for the old SO --05/1992  ** - Although CSOs are broadly defined, available data on the number of CSOs registered only includes NGOs. In the future, we will try to collect data on the entire CSO community, if data sources permit.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1995 (B)		Registration of NGOs moved from DPPC to Ministry of Justice (MOJ). No clear procedures developed or published, MOJ provides no clear guidance to NGOs regarding registration process. NGOs applying for registration receive inconsistent treatment.
	1996	50 new NGOs registered	80 new NGOs registered
	1997	- 100 new NGOs registered - Re-registration to be routine for all NGOs registered in 1996.	Numbers available for July-Dec 1997 (6 months). Of a total of 184 new NGOs requesting MOJ registration : - 95 approved by MOJ for registration and 7 rejected - Breakdown of 95 (42 registered and 53 approved by MOJ waiting final registration) - 63 of 80 NGOs (registered in 1996 for 1 year) were re-registered routinely

<b>STRATEGIC OBJECTIVE 4: EFFECTIVE GOVERNMENT AND CIVIL SOCIETY ORGANIZATIONS DEVELOPED TO PROMOTE ACCOUNTABILITY AND PARTICIPATION</b> <b>APPROVED: ****</b> <b>COUNTRY/ORGANIZATION: USAID/ETHIOPIA</b>			
<b>RESULT NAME: IR3: Organized Societal Participation to Advance Community Interests Increased</b>			
<b>INDICATOR 1: Increase in the Number of CSOs** registered &amp; re-registered</b>			
	1998	- Additional 100 new NGO registered - Re-registration routine for all NGOs	
	1999	Registration & re-registration routine for all NGOs, following clear, transparent, published registration procedures.	
	2000	Registration of NGOs no longer an issue or a target, has become completely routine.	

<b>STRATEGIC OBJECTIVE 4: EFFECTIVE GOVERNMENT AND CIVIL SOCIETY ORGANIZATIONS DEVELOPED TO PROMOTE ACCOUNTABILITY AND PARTICIPATION</b> <b>APPROVED: **** COUNTRY/ORGANIZATION: USAID/ETHIOPIA</b>			
<b>RESULT NAME: IR3: Organized Societal Participation to Advance Community Interests Increased</b>			
<b>INDICATOR 2: Increased Number of CSOs with effective strategic plans and financial &amp; management systems</b>			
<b>UNIT OF MEASURE:</b> Number  <b>SOURCE:</b> PACT, OCAT-Organizational Capacity Assessment Tool  <b>INDICATOR DESCRIPTION:</b> /Increase in the number of CSOs working with PACT with effective strategic & management plans & financial management capacity as measured by the OCAT-assessment tool which measures 7 levels of institutional capacity	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1995 (B)		Limited number of CSOs with effective strategic & management plans/systems. No CSOs found to have effective financial systems. <sup>9</sup>
	1996	/Increased number of NGOs with effective strategic & management plans /systems & financial systems.**	PACT/OCAT surveys indicate of 35 NGOs surveyed all need major assistance with management practices & financial practices & systems.
	1997	15 of the 35 NGOs assessed using OCAT with effective strategic & management plans/systems & financial systems.	17 of the 35 have effective strategic management plans/systems in place. 16 have improved financial systems. OCAT conducted on additional 20 NGOs & training and mentoring begun.

<b>STRATEGIC OBJECTIVE 4: EFFECTIVE GOVERNMENT AND CIVIL SOCIETY ORGANIZATIONS DEVELOPED TO PROMOTE ACCOUNTABILITY AND PARTICIPATION</b> <b>APPROVED: **** COUNTRY/ORGANIZATION: USAID/ETHIOPIA</b>			
<b>RESULT NAME: IR3: Organized Societal Participation to Advance Community Interests Increased</b>			
<b>INDICATOR 2: Increased Number of CSOs with effective strategic plans and financial &amp; management systems</b>			
<b>COMMENTS :</b> *No specific figures were available on number of NGOs but baseline information is based on Pact's "Ethiopian NGOs Needs Assessment Report" Jan. 1996 Report  **No targets on the number of NGOs was set as Pact was just starting the activity.  * - Approval date for the old SO --05/1992	1998	Additional 20 NGOs assessed using OCAT, increasing total NGOs to 70. 40 have improved strategic plans and management systems & improved financial systems operational. 30 NGOs fully graduate from Pact assistance.	
	1999	Additional 15 health NGOs assessed using OCAT increasing total NGOs to 90. All 90 have participated in full range of training/mentoring. Additional 30 NGOs graduate.	
	2000	All 90 NGOs have effective strategic and management plans operational & have effective financial management capacity.	

## SPO 1 : ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET AREAS

### I. PROGRESS TOWARD OBJECTIVES

USAID/Ethiopia believes that this Special Objective (SPO) has met, and in some instances exceeded, its performance expectations for FY97. This SPO contributes to Goal 5 of the U.S. Government's Mission Performance Plan for Ethiopia of "Providing Humanitarian Assistance". Excellent coordination between USAID and our Title II Partners (CARE, CRS, FHI, World Vision, SCF/US, Relief Society of Tigray, Ethiopian Orthodox Church . . . hereafter collectively referred to as "Partners") has continued to move forward the development of the SPO and bring these Title II regular supported programs to focus on a single objective--"Enhanced Household Food Security in Target Areas"-- approved by USAID/Washington in February, 1997. This coordination resulted in a jointly conducted baseline survey in all Partner target areas which will allow us to measure program impact on household food security. For the first time ever in Ethiopia, food security in vulnerable areas has been accurately measured and quick responses are in place to respond when the status falls below acceptable standards. This SPO also adheres strongly to the GHAI principles of "*Promoting Stability*", "*Strategic Coordination*" and "*Promoting Relief to Development*", and is effectively helping to avert the devastating crises of the past.

#### SPO 1 Indicators

1. Nutritional Status Children (proportion stunted)
2. Decreased in time when households do not have sufficient food to eat.
3. Decreased use of severe coping strategies by target households.

The SPO was developed through a collaborative process in which the Partners agreed on the most important common food security objectives of all their interventions. The SPO identified five critical intermediate results (IRs): Increased Agricultural Production, Increased Household Income, Improved Health Status, Maintaining the Natural Resource Base and, Maintaining Emergency Response Capacity. The first three IRs capture the three facets of food security: Availability ("Agricultural Production"), Access ("Increased Income") and Utilization ("Improved Health Status"). The fourth, "Maintaining the Natural Resource Base", addresses the longer term

problem of soil erosion and environmental degradation which has been identified as a fundamental food security issue by the Ethiopian Government. The fifth intermediate result, "Maintaining Emergency Response Capacity", captures the linkage between relief and development in Ethiopia and the need to maintain cost effective preparedness for emergency responses. This GHAI principle provides a framework for Partners to work to improve the long term food security of vulnerable populations and to ensure that relief needs are addressed when required.

The foundation for evaluating progress was established with the July, 1997 baseline survey This survey covered sample households from a target population of over 400,000, and confirmed that Title II programs are working in very marginal, food insecure areas. It estimated that 61% of all children in the target areas were stunted, that populations had insufficient food during 5.6 months of the year, and that 23% of those surveyed employed what were considered "severe" coping strategies. It has been agreed with our Partners that data on the SPO indicators will be collected every other year, and therefore will not be reported on until 1999. Progress towards achieving our SPO will be assessed by indicators at the intermediate results level in the intervening years.

### IR 1: INCREASED AGRICULTURAL CROP PRODUCTION

Increased agricultural (food) production is a key element in achievement of food security. Progress toward this element in Title II target areas is constrained by the fact that these programs are all implemented in areas of low agricultural potential. The baseline survey demonstrated that yield and overall production per household for major cereal crops (in these moisture stressed areas) are less than half of the national average even in what was at the time of the survey, a "best ever" agricultural year for Ethiopia 4.

Results under this IR were mixed for the past year. Despite the adverse impact of late and erratic rains on agricultural production nationally (estimated by the FAO/WFP pre-harvest assessment as a loss of 26% in cereals production) there was a less dramatic decrease (only 20%) in the yield and production of major crops in target areas. Moreover, predictive indicators demonstrated that Partners' agricultural extension services had led to increased adoption of improved agricultural practices, including use of improved seeds, application of chemical fertilizers, and employment of soil conservation efforts on farmers' lands. In the past year 3.5% more households in the target areas used chemical fertilizer (versus a downward national trend in fertilizer use) and there was a 10% increase in the number of households using improved seeds. The amount of agricultural land under irrigation in target areas increased to 8.6% because of the construction of irrigation systems.

### IR 2: INCREASED HOUSEHOLD INCOME

Indicators for this IR attempt to capture the impact of activities on increased income which is important for improving a household's access to food in both good and bad agricultural years. Because of the difficulty in undertaking rural household income surveys, a number of proxy indicators are employed to monitor changes in household income. Improvement in the physical state of households is considered a good proxy indicator of added income. In the target areas, 5% of households improved the physical state of their homesteads, adding tin roofs, buying furniture, building latrines, etc. last year. Another sign of increased income is the consumption of luxury items such as kerosene and coffee, which showed a slight increase during the year measured.

In one target area, the number of mature eucalyptus trees is also considered a good indicator of potential income. As a result of the Partner's extension efforts, the number of trees increased from an average of 10 per household to 40 this year. Cash crops are also supported through Partner extension services and as a result 47,989 households increased their annual income by at least 50 Birr or \$7.30, representing about a 6% increase in per capita income.

Another Partner supported activity successfully generating income is a Woman's Credit and Savings Program which now provides small loans to some 1,100 participants.

One proxy indicator of income -- livestock holdings -- decreased slightly in 1997 from the baseline levels. We believe this captured an increase in stress on

4. Ethiopia had a bumper harvest in 1996. This could distort our efforts to have our baseline set in the best year ever since rain plays a more critical role than any of the interventions our Partners bring into these areas. In the out years, we may be forced to trace back to the 'normal' years and adjust our baseline accordingly.

households attributed to the adverse weather in the target areas. *The sale of livestock is one of the main coping strategies employed by households. This year, 35% of all households reported selling off livestock to mitigate the effects of drought.*

### IR 3: IMPROVED HEALTH STATUS OF TARGET HOUSEHOLDS

The baseline study makes it clear that child nutritional status is very poor in Title II target areas. The study showed that over 45% of children were underweight in Title II target areas, and that 29.2% of children had bouts of diarrhoea during the two weeks prior to the survey. Reductions in the incidence of these problems will be indicators of progress on this IR. Data on a number of indicators demonstrated that health is the biggest concern in our target areas. The baseline survey revealed that only 26.9% of households had access to protected water sources. Because of the high correlation between the access to protected water and better nutrition and health status, interventions that have increased the quality and quantity of protected water are proving to be effective interventions. In all target areas, the percentage of households using protected water increased by 33% and in some areas the achievement is even higher. In one area an increase from 26% to 43% was reported in the households using protected water sources as a result of potable water activities. Target households increased the amount of water they used by 13 liters/day. In another area, households increased water use by 15%.

#### IR 1 Indicators

1. % increase in yield for main crops
2. % change in overall production of main crops per household

The performance of other activities towards improving the health status of target households is also encouraging. Infant nutrition, through the early initiation and continuation of breast feeding as well as the timely introduction of supplementary food into a child's diet has also improved. This year there was an increase from 31% to 33% of children throughout the target areas introduced to supplementary foods at the appropriate time.

The proportion of children fully immunized increased from 26% in 1996 to 35% in 1997. The contraceptive prevalence rate has also increased from 3% to 3.5% in the rural target areas. Given a national average of 4% this increase was very significant.

### IR 4: NATURAL RESOURCE BASE MAINTAINED

#### IR 4 Indicators

1. increased area of communal land protected
2. reduced soil loss

that over 2 billion tons of top soil is washed away each year in Ethiopia). Through the years, conservation efforts (soil bunding, terracing, gully plugging and hillside enclosures) undertaken through Food for Work activities have been a major focus of the Title II and other donor funded programs. These programs have successfully provided millions of hours of work and provided food rations for vulnerable and underemployed participants. There has been difficulty in demonstrating the impact of their primary purpose - soil and water conservation -- within the limited time frame of the activities. This year the Partners experimented with the Universal Soil Loss Equation (USLE) methodology in an attempt to quantify impact. In 1997, about 113 tons of topsoil per hectare (over 850,000 tons) was estimated to have been saved as a direct result of conservation interventions. The program continues to support reforestation and communal land protection efforts but the impact of the activities on household food security as well as the cost efficiency of these activities is an issue which will be pursued by the SPO team as part of its program coordination and managing for results effort during the coming few years.

#### IR 2 Indicators

- Proxy 1. increase in average no. livestock owned by target households  
 Proxy 2. increase in % of households who improved the state of their household  
 Proxy 3. increase in % households who consume luxury items

Most Partners have on-going conservation programs aimed at arresting the devastating loss of productive topsoil (it is estimated

#### Women's Credit program benefitting the disadvantaged

Aster Geste from Wonji in Oromia has used small loans from the program to rent land and grow onions, tomatoes, green peppers and cabbage to sell in the market. In Aster's words, "because of the Women's association I am no longer poor or live in misery. This program is a turning point for many of us who are poor"

### IR 5: EMERGENCY RESPONSE CAPACITY MAINTAINED

#### IR 5 Indicators

1. approved/updated disaster management plans in place.
2. access to local early warning information

the joint USAID-FEWS/EU Early Warning Bulletin, led to a timely provision of emergency food.

All of the Partners have emergency response plans in place. They are either engaged in collecting early warning information or their target areas have ready access to early warning information. Most of the partners provide routine market and weather information to USAID/FEWS and play an essential role in the development of early warning reports used by the government and the donor community. This year, partner reports played an important role in the early identification of areas (particularly in South and East Tigray) that were suffering from drought. This information, carried in

*Because of accurate early warning systems, USAID will provide a total of 95,000 MT of emergency assistance during FY 1998 (20,000 MT has already been delivered and distributed). Monitoring the impact of this emergency program revealed that the food deliveries were timely enough to maintain the*



*nutritional status of children in the affected areas as well as prevent the drought affected population from migrating away from their homes and farms. Interestingly, no emergency requirements were identified in Title II program target areas - all historically food insecure areas!*

This is another example of how Title II regular programs are positively moving their target populations along the relief to development continuum, building resilience, and allowing them to better cope with the added stress of events like this year's poor harvest.

## II. EXPECTED PROGRESS THROUGH FY 2000 AND MANAGEMENT ACTIONS

In spite of the challenges of working in marginal areas we believe household food security will be improved to the extent projected if our critical assumptions hold. We expect the proportion of children who are stunted and underweight to be reduced to approximately 58% and 38% respectively by the year 2000, and we anticipate far better results on key IRs.

The meaningful aggregation of results data remains a challenge when dealing with seven Partner programs operating in 47 woredas (equivalent to counties) throughout the country. Some Partner programs are in their initial year of operation, others are mid-cycle and still others are in the final year. Partners also do not have identical activities or coverage levels. The SPO team has agreed to continue fine tuning the framework and believes that it has had a very positive impact, helping them to better focus activities in more marginal and under served areas, informing them more quickly about less effective activities and the accomplishment of finite results. As more information becomes available. We expect activities will be modified to obtain better results. We also anticipate increased coordination and integration with other Strategic Objectives (Health, Agriculture and Education) and donor (WFP) efforts.

Our efforts have also had a positive impact on NGO relationships with the regional and local governments. The Partners can provide government counterparts at all levels with evidence of progress toward program goals, and brief government and community stakeholders about their programs in regional strategy reviews. This is particularly timely as regions are completing their food security programs which emphasize development activities in the more vulnerable areas -- activities that our partners are already engaged in. Partners have also used the data collected to solicit feedback from beneficiaries about the success or limitations of programs in their communities.

Late in FY 1997 the Strengthening Emergency Response Abilities (SERA) activity was finalized which will improve the capacity of the Disaster Prevention and Preparedness Commission (DPPC) to better assess emergency food needs, determine the more appropriate emergency interventions and more effectively target emergency resources. Over a four-year period, vulnerability profiles will be prepared for about two thirds of the most vulnerable areas of the country and a research agenda pursued to identify the root causes of vulnerability. In conjunction with USAID/FEWS support to strengthen the early warning systems of the DPPC and the NGOs, these efforts can be applied in other GHAI countries. SERA is particularly relevant now because of US and other donor infusions of emergency food assistance are passing through the Ethiopian Government rather than NGOs. By assisting the GFDRE to build their capacity to undertake better managed and targeted relief efforts we are improving the likelihood that our food assistance is programmed and implemented effectively. If an effective bilateral mechanism exists for emergency response, Partner food assisted development programs will not have to divert scarce development resources to emergency interventions. Indicators for the activities under SERA will be developed with the DPPC and incorporated under IR 5 - Emergency Response Capacity Maintained. One indicator that will most likely be employed will capture targeting errors of exclusion or inclusion.

### IR 3 Indicators

1. decrease in prevalence of diarrhoeal diseases
2. reduced number of children underweight

This year, a Commodity Management Workshop was funded under SERA to review Title II regulations and commodity management issues. Title II NGOs, World Food Program and DPPC staff participated, which should improve the programming, management, control and reporting systems of Partners and have a positive impact on program efficiency. The SPO team, with help from USAID's Office of Financial Management has developed a formal commodity and fiscal monitoring and review process to improve program accountability.

The SPO team's efforts highlight the benefits of field empowerment. By having this SPO that is fully supported by all the Partners the yearly Development Activity Proposals (DAPs) have an agreed upon program thrust as a common base. With Mission authority to review these DAPs in the field, those closest to ground operations and the results framework are making the most informed selection decisions. On top of this, the close coordination of the Partners within the SPO team has harmonized food assisted efforts and ensured better integration not only with the Mission strategy but also with USAID's food security policy initiatives. "Enhanced Household Food Security in the Target Areas" is now a common goal among the Partners, thereby reinforcing and multiplying the impact in this important sector.

<b>SPECIAL OBJECTIVE 1 : ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET AREAS</b> <b>APPROVED:</b> 14/02/97 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME:</b> Enhanced Household Food Security in Target Areas			
<b>INDICATOR 1:</b> Nutritional status of children (proportion of children stunted)			
<b>UNIT OF MEASURE:</b> Percent of children  <b>SOURCE:</b> Cooperating sponsors baseline surveys and annual results reports  <b>INDICATOR DESCRIPTION:</b> Proportion of children under 5 who are stunted (below 80% height for age)  <b>COMMENTS:</b> Target areas are where the Title II partners implement activities.  <b>Critical assumptions:</b> 1. Peace and stability in the Title II program areas 2. Support to the programs from local, regional as well as federal governments 3. Although targets are set taking into account the vulnerability of the areas, achievement of targets depends upon continuation of historical average rain and that development work will not be disrupted by an outbreak of famine in the Title II areas  <b>Note:</b> (*) Since baseline data was collected in May 1997, targets were not set for FY 1997. However the team expects no change in actual performance of 1997 at the SPO level.  (**) The Title II partners have agreed to collect data on the SPO level indicators in years 3 (1999) and 5 (2001). In the interim years progress towards the SPO will be assessed based on progress made at the IR levels.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996 (B)		61%
	1997 (*)		61%
	1999	59%	
	2001 (T)	56%	

<b>SPECIAL OBJECTIVE 1 : ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET AREAS</b> <b>APPROVED: 14/02/97 COUNTRY/ORGANIZATION: USAID/ETHIOPIA</b>			
<b>RESULT NAME:</b> Enhanced Household Food Security in Target Areas			
<b>INDICATOR 2:</b> Decrease in time when households do not have sufficient food to eat			
<b>UNIT OF MEASURE:</b> Number of months  <b>SOURCE:</b> Cooperating sponsors baseline surveys and annual results reports  <b>INDICATOR DESCRIPTION:</b> Decrease in the number of months when HHs do not have sufficient food to eat  <b>COMMENTS:</b> Target areas are where the Title II partners implement activities.  <b>Critical assumptions:</b> 1. Peace and stability in the Title II program areas 2. Support to the programs from local, regional as well as federal governments 3. Although targets are set taking into account the vulnerability of the areas, achievement of results depend upon continuation of historical average rain and that development work will not be disrupted by an outbreak of famine in the Title II areas  <b>Note:</b> (*) Since baseline data was collected in May 1997, targets were not set for FY 1997. However the team expects no change in actual performance of 1997 at the SPO level.  (**) The Title II partners have agreed to collect data on the SPO level indicators in years 3 (1999) and 5 (2001). In the interim years progress towards the SPO will be assessed based on progress made at the IR levels.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996 (B)		5.6
	1997 (*)		5.6
	1999	4.5	
	2001 (T)	4	

<b>SPECIAL OBJECTIVE 1:</b> ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET AREAS			
<b>APPROVED:</b> 14/02/97 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME:</b> Enhanced Household Food Security in Target Areas			
<b>INDICATOR 3:</b> Decreased use of severe coping strategies by target households			
<b>UNIT OF MEASURE:</b> Percent of Households  <b>SOURCE:</b> Cooperating sponsors baseline surveys and annual results reports  <b>INDICATOR DESCRIPTION:</b> Percent of HHs who deployed ' <i>severe</i> ' coping strategies in the past twelve months Coping strategies that are defined as <i>severe</i> in most target areas are eating wild food, sale of productive assets, sale of personal asset/HH effects, withdrawing children from school, and migration  <b>COMMENTS:</b> Target areas are where the Title II partners implement activities.  <b>Critical assumptions:</b> 1. Peace and stability in the Title II program areas 2. Support to the programs from local, regional as well as federal governments 3. Although targets are set taking into account the vulnerability of the areas, achievement of results depends upon continuation of historical average rain and that development work will not be disrupted by an outbreak of famine in the Title II areas  <b>Note:</b> (*) Since baseline data was collected in May 1997, targets were not set for FY 1997. However the team expects no change in actual performance of 1997 at the SPO level.  (**) The Title II partners have agreed to collect data on the SPO level indicators in years 3 (1999) and 5 (2001). In the interim years progress towards the SPO will be assessed based on progress made at the IR levels.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996 (B)		23.1%
	1997 (*)		23.1%
	1999	18%	
	2001 (T)	13%	

<b>SPECIAL OBJECTIVE 1:</b> ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET AREAS			
<b>APPROVED:</b> 14/02/97 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME:</b> IR1: Increased Agricultural Crop Production			
<b>INDICATOR 1:</b> Increase in yield for main crops			
<b>UNIT OF MEASURE:</b> Percent increase over the baseline, Kg/ha by crop for the baseline  <b>SOURCE:</b> Cooperating sponsors baseline surveys and annual results reports  <b>INDICATOR DESCRIPTION:</b> Increase in yield for 5 (five) major crops in target areas i.e maize, teff, wheat, barley and sorghum.  <b>COMMENTS:</b>  Household data on this indicator will be collected in years 3 (1999) and 5(2001). Data on predictive indicators will be collected annually. Therefore, in 1998 and 2000, progress towards this IR will be assessed based on progress made on the following predictive indicators:  1. Increase in % of households that use chemical fertilizer  2. Increase in % of households that use improved seeds  3. Increase in % of area irrigated  4. Increase in % of household practicing improved agricultural techniques  Note:  * Although predictive indicators have shown overall increase in 1997, the erratic and untimely rain in the past year has reduced yield and overall production of cereals by over 25% throughout the country. In our target areas a 20% production loss was estimated on the average (in FY 1997).	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996 (B)		S - 585 T - 450 W - 660 B - 640 M - 490
	1997*		S - 470 T - 360 W - 530 B - 512 M - 400
	1999	S - 4.0% T - 3.0% W - 3.0% B - 4.0% M - 4.0%	
	2001 (T)	S - 8.0% T - 6.0% W - 5.0% B - 6.0% M - 8.0%	

<b>SPECIAL OBJECTIVE 1:</b> ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET AREAS <b>APPROVED:</b> 14/02/97 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME:</b> IR1: Increased Agricultural Crop Production			
<b>INDICATOR 2:</b> Change in overall production of main crops per household			
<b>UNIT OF MEASURE:</b> Percent increase over the baseline, total kg  produced for the baseline  <hr/> <b>SOURCE:</b> Cooperating sponsors baseline surveys and annual results reports  <hr/> <b>INDICATOR DESCRIPTION:</b> Increase in the overall production of major crops per household  <hr/> <b>COMMENTS:</b>  Household data on this indicator will be collected in years 3 (1999) and 5(2001). Data on predictive indicators will be collected annually. Therefore, in 1998 and 2000, progress towards this IR will be assessed based on progress made on the following predictive indicators:  1. Increase in % of households that use chemical fertilizer  2. Increase in % of households that use improved seeds  3. Increase in % of area irrigated  4. Increase in % of household practicing improved agricultural techniques   * Although predictive indicators have shown overall increase in 1997, the erratic and untimely rain in the past year has reduced yield and overall production of cereals by over 25% through-out the country. In our target areas a 20% production loss was estimated on the average (in FY 97).	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996 (B)		S - 115 T - 121 W - 99 B - 86.7 M -152
	1997*		S - 92 T - 98 W- 80 B - 79 M -122
	1999	S - 3.0 % T - 2.5 % W - 2.5 % B - 3.0 % M - 3.0 %	
	2001 (T)	S - 7.0 % T - 5.0 % W - 4.0 % B - 5.0 % M - 6.0 %	

<b>SPECIAL OBJECTIVE 1:</b> ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET AREAS <b>APPROVED:</b> 14/02/97 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME:</b> IR1: Increased Agricultural Crop Production			
<b>INDICATOR - Predictive indicator 1:</b> Increase in the proportion of households using fertilizer			
<b>UNIT OF MEASURE:</b> Percent <hr/> <b>SOURCE:</b> Cooperating sponsors baseline surveys and annual results reports <hr/> <b>INDICATOR DESCRIPTION:</b> Increase in fertilizer use includes chemical fertilizer only. <hr/> <b>COMMENTS:</b>	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996 (B)		20.0%
	1997	22.0%	23.5%
	1998	30.2%	
	1999	31.5%	
	2000	33.0%	
	2001 (T)	35.0%	

<b>SPECIAL OBJECTIVE 1:</b> ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET AREAS <b>APPROVED:</b> 14/02/97 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME:</b> IR1: Increased Agricultural Crop Production			
<b>INDICATOR- Predictive indicator 2:</b> Increase in the proportion of households using improved seeds			
<b>UNIT OF MEASURE:</b> Percent  <b>SOURCE:</b> Cooperating sponsors baseline surveys and annual results reports  <b>INDICATOR DESCRIPTION:</b> Increase in percentage of HHs using improved seeds (high yielding varieties) promoted by the title II partners  <b>COMMENTS:</b>	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996 (B)		2.8%
	1997	5.0%	12.9%
	1998	7.9%	
	1999	9.2%	
	2000	10.7%	
	2001 (T)	11.5%	
<b>SPECIAL OBJECTIVE 1:</b> ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET AREAS <b>APPROVED:</b> 14/02/97 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME:</b> IR1: Increased Agricultural Crop Production			
<b>INDICATOR-Predictive indicator 3:</b> Increase in the proportion of irrigated area			
<b>UNIT OF MEASURE:</b> Percent  <b>SOURCE:</b> Cooperating sponsors baseline surveys and annual results reports  <b>INDICATOR DESCRIPTION:</b> Increase in the proportion of area irrigated out of the total cultivated area  <b>COMMENTS:</b>	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996 (B)		6.0%
	1997	7.0%	8.6%
	1998	10.0%	
	1999	11.5%	
	2000	12.0%	
	2001 (T)	13.0%	



<b>SPECIAL OBJECTIVE 1:</b> ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET AREAS <b>APPROVED:</b> 14/02/97 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME:</b> IR1: Increased Agricultural Crop Production			
<b>INDICATOR- Predictive indicator 4:</b> Increase in the proportion of households practicing improved agricultural techniques			
<b>UNIT OF MEASURE:</b> Percent	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
<b>SOURCE:</b> Cooperating sponsors baseline surveys and annual results reports  <b>INDICATOR DESCRIPTION:</b> Increased use of improved agricultural practices include all practices other than specified in the above indicators (eg. use of compost, conservation structures on private lands aimed at improving productivity and production such as soil bunds, terracing etc)  <b>COMMENTS:</b>	1996 (B)		43.0%
	1997	45.0%	46.0%
	1998	46.5%	
	1999	51.2%	
	2000	60.0%	
	2001 (T)	65.0%	
<b>SPECIAL OBJECTIVE 1 :</b> ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET AREAS <b>APPROVED:</b> 14/02/97 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME:</b> IR2: Increased Household Income in Target Areas			
<b>INDICATOR- Proxy indicator 1:</b> Increase in the average number of livestock owned by target households			
<b>UNIT OF MEASURE:</b> Number	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
<b>SOURCE:</b> Cooperating sponsors baseline surveys and annual results reports  <b>INDICATOR DESCRIPTION:</b> A standard conversion factor is used to calculate livestock unit equivalent.  <b>COMMENTS:</b>	1996 (B)		1.66
	1997	1.70	1.63
	1998	1.79	
	1999	1.81	
	2000	1.84	
	2001 (T)	1.90	

<b>SPECIAL OBJECTIVE 1 :</b> ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET			
<b>APPROVED:</b> 14/02/97 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPLA			
<b>RESULT NAME:</b> IR2: Increased Household Income in Target Areas			
<b>INDICATOR- Proxy indicator 2:</b> Increase in the proportion of households who improved the physical state of their households			
<b>UNIT OF MEASURE:</b> Percent	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
<b>SOURCE:</b> Cooperating sponsors baseline surveys and annual results reports	1996 (B)		0
<b>INDICATOR DESCRIPTION:</b> A change in the physical state of a household is defined as changes made to the physical structure of the house and other household items (such as new furniture) acquired in a given year. Since it is difficult to aggregate the current asset holding of the households (such as ownership of beds, chairs, tables and tin roofed houses, etc.) baseline for this indicator is set to be zero. From the first year onwards all households who added one or more of the above mentioned items will be counted.	1997	5.0%	5.0%
<b>COMMENTS:</b>	1998	10.0%	
	1999	15.0%	
	2000	17.0%	
	2001 (T)	19.0%	

<b>SPECIAL OBJECTIVE 1 : ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET</b> <b>APPROVED: 14/02/97 COUNTRY/ORGANIZATION: USAID/ETHIOPIA</b>			
<b>RESULT NAME:</b> IR2: Increased Household Income in Target Areas			
<b>INDICATOR -Proxy indicator 3:</b> Increase in the proportion of households who consume luxury items			
<b>UNIT OF MEASURE:</b> Percent  <b>SOURCE:</b> Cooperating sponsors baseline surveys and annual results reports  <b>INDICATOR DESCRIPTION:</b> Luxury items are area specific. While drinking coffee is considered luxurious in some areas, items like sugar and kerosene are considered luxurious in others. Each Title II Cooperating sponsor has its own definition of luxury items in its respective areas. Households who consume one or more of those items will be included.  <b>COMMENTS:</b>	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996 (B)		10.1%
	1997	10.1%	10.7%
	1998	11.2%	
	1999	12.0%	
	2000	12.8%	
	2001 (T)	13.5%	

<b>SPECIAL OBJECTIVE 1: ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET AREAS</b> <b>APPROVED: 14/02/97 COUNTRY/ORGANIZATION: USAID/ETHIOPIA</b>			
<b>RESULT NAME:</b> IR3: Improved Health Status of Households in Target Areas			
<b>INDICATOR 1:</b> Decrease in the prevalence of diarrhoeal diseases			
<b>UNIT OF MEASURE :</b> Percent  <b>SOURCE:</b> Cooperating sponsors baseline surveys and annual results reports  <b>INDICATOR DESCRIPTION:</b> Decrease in percent of children under five who have had diarrhoea in the two weeks before the survey.  <b>COMMENTS:</b> Performance data on IR indicators is to be collected in years 3 (1999) and 5(2001). Data on predictive indicators will be collected annually. Therefore in 1998 and 2000, progress towards this IR will be assessed based on progress made on the following predictive indicators:  1. Increase in proportion of children fully immunized 2. Increase in the proportion of HHs using protected water sources 3. Increase in the proportion of children who have weaning food at the appropriate time 4. Increase in the proportion of families using modern FP techniques (Contraceptive prevalence rate in target areas)  * Since baseline was collected in December 1996, no target was set for FY 97.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996 (B)		29.2%
	1997*		27.0 %
	1999	23.0%	
	2001 (T)	16.0%	

<b>SPECIAL OBJECTIVE 1:</b> ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET AREAS <b>APPROVED:</b> 14/02/97 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME:</b> IR3 : Improved Health Status of Households in Target Areas			
<b>INDICATOR 2:</b> Reduced proportion of children underweight			
<b>UNIT OF MEASURE:</b> Percent  <b>SOURCE:</b> Cooperating sponsors baseline surveys and annual results reports  <b>INDICATOR DESCRIPTION:</b> Decrease in % of children under five who are less than 80% weight for age  <b>COMMENTS:</b> Performance data on IR indicators is to be collected in years 3 (1999) and 5(2001). Data on predictive indicators will be collected annually. Therefore in 1998 and 2000, progress towards this IR will be assessed based on progress made on the following predictive indicators:  1. Increase in proportion of children fully immunized 2. Increase in the proportion of HHs using protected water sources 3. Increase in the proportion of children who have weaning food at the appropriate time 4. Increase in the proportion of families using modern Family Planing techniques (Contraceptive prevalence rate in target areas)  * Since baseline was collected in December 1996, no target was set for FY 97.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996 (B)		45.0%
	1997*		45.0%
	1999	41.0%	
	2001 (T)	35.0%	

<b>SPECIAL OBJECTIVE 1:</b> ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET AREAS <b>APPROVED:</b> 14/02/97 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME - IR3:</b> Improved Health Status of Households in Target Areas			
<b>INDICATOR- Predictive indicator 1:</b> Percent increase in the proportion of children fully immunized			
<b>UNIT OF MEASURE:</b> Percent  <b>SOURCE:</b> Cooperating sponsors baseline surveys and annual results reports  <b>INDICATOR DESCRIPTION:</b> Proportion of children under 60 months who are fully immunized  <b>COMMENTS:</b>	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996 (B)		26.6%
	1997	30.0%	35%
	1998	40.0%	
	1999	45.0%	
	2000	50.0%	
	2001 (T)	55.0%	

<b>SPECIAL OBJECTIVE 1:</b> ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET AREAS <b>APPROVED:</b> 14/02/97 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME - IR3:</b> Improved Health Status of Households in Target Areas			
<b>INDICATOR -Predictive indicator 2:</b> Increase in the proportion of households using protected water sources			
<b>UNIT OF MEASURE:</b> Percent  <b>SOURCE:</b> Cooperating sponsors baseline surveys and annual results reports  <b>INDICATOR DESCRIPTION:</b> Protected water sources include tap water, springs, wells and ponds that are protected for human consumption  <b>COMMENTS:</b>	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996 (B)		26.9%
	1997	32.0%	33%
	1998	35.0%	
	1999	32.0%	
	2000	40.0%	
	2001	45.0%	

<b>SPECIAL OBJECTIVE 1:</b> ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET AREAS <b>APPROVED:</b> 14/02/97 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME:</b> IR3: Improved Health Status of Households in Target Areas			
<b>INDICATOR - Predictive indicator 3:</b> Percent increase in the proportion of children who have weaning food at the appropriate time			
<b>UNIT OF MEASURE:</b> Percent  <b>SOURCE:</b> Cooperating sponsors baseline surveys and annual results reports  <b>INDICATOR DESCRIPTION:</b> Appropriate time for start- up of weaning food is between 4 and 6 months  <b>COMMENTS:</b>	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996 (B)		31.0%
	1997	33.0%	33.0%
	1998	35.0%	
	1999	38.0%	
	2000	45.0%	
	2001 (T)	48.0%	

<b>SPECIAL OBJECTIVE 1:</b> ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET AREAS			
<b>APPROVED:</b> 14/02/97 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME:</b> IR3:    Improved Health Status of Households in Target Areas			
<b>INDICATOR- Predictive indicator 4:</b> Increase in the percent of families using modern Family Planning methods			
<b>UNIT OF MEASURE:</b> Percent  <b>SOURCE:</b> Cooperating sponsors baseline surveys and annual results reports  <b>INDICATOR DESCRIPTION:</b> Contraceptive prevalence rate  <b>COMMENTS:</b>	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996 (B)		3.0%
	1997	3.0%	3.5%
	1998	3.8%	
	1999	4.0%	
	2000	4.2%	
	2001 (T)	4.5%	



<b>SPECIAL OBJECTIVE 1: ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET AREAS</b> <b>APPROVED: 14/02/97 COUNTRY/ORGANIZATION: USAID/ETHIOPIA</b>			
<b>RESULT NAME:</b> IR4: Natural Resource Base Maintained			
<b>INDICATOR 1:</b> Increased area of communal land protected			
<b>UNIT OF MEASURE:</b> ha of land protected <hr/> <b>SOURCE:</b> Cooperating sponsors baseline surveys and annual results reports <hr/> <b>INDICATOR DESCRIPTION:</b> Total area of communal land protected by the Title II NGOs (cumulative over the years) <hr/> <b>COMMENTS:</b> This indicator focus on the area of communal land protected.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996 (B)		29,531
	1997	30,000	31,434
	1998	33,000	
	1999	34,000	
	2000	36,000	
	2001 (T)	40,000	
<b>SPECIAL OBJECTIVE 1: ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET AREAS</b> <b>APPROVED: 14/02/97 COUNTRY/ORGANIZATION: USAID/ETHIOPIA</b>			
<b>RESULT NAME:</b> IR4: Natural Resource Base Maintained			
<b>INDICATOR 2:</b> Reduced soil loss			
<b>UNIT OF MEASURE:</b> MT/ha/year <hr/> <b>SOURCE:</b> Cooperating sponsors baseline surveys and annual results reports <hr/> <b>INDICATOR DESCRIPTION:</b> Decrease in the average amount of soil lost per hectare per year as measured by Universal Soil Loss Equation (USLE). <hr/> <b>COMMENTS:</b>	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996 (B)		256
	1997	200	143
	1998	120	
	1999	100	
	2000	90	
	2001 (T)	80	

<b>SPECIAL OBJECTIVE 1:</b> ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET AREAS <b>APPROVED:</b> 14/02/97 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME - IR5:</b> Emergency Response Capacity Maintained			
<b>INDICATOR 1:</b> Approved / updated disaster management plans in place			
<b>UNIT OF MEASURE:</b> yes/no  <b>SOURCE:</b> Cooperating sponsors baseline surveys and annual results reports  <b>INDICATOR DESCRIPTION:</b> USAID and Government of Ethiopia approved and updated disaster management plan in place for all target areas  <b>COMMENTS:</b>	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996 (B)		No
	1997	Yes	Yes
	1998	Yes	
	1999	Yes	
	2000	Yes	
	2001 (T)	Yes	

  

<b>SPECIAL OBJECTIVE 1:</b> ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET AREAS <b>APPROVED:</b> 14/02/97 <b>COUNTRY/ORGANIZATION:</b> USAID/ETHIOPIA			
<b>RESULT NAME - IR5:</b> Emergency Response Capacity Maintained			
<b>INDICATOR 2:</b> Access to Local Early Warning Information			
<b>UNIT OF MEASURE:</b> yes/no  <b>SOURCE:</b> Cooperating sponsors baseline surveys and annual results reports  <b>INDICATOR DESCRIPTION:</b> All target areas have access to local early warning information  <b>COMMENTS:</b>	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996 (B)		No
	1997	Yes	Yes
	1998	Yes	
	1999	Yes	
	2000	Yes	
	2001 (T)	Yes	

### **III Status of Management Contract**

USAID/Ethiopia is in the last year of our current management contract with Washington. We will be negotiating an FY2000 Integrated Strategic Plan for assistance to Ethiopia in early 1999. Although this revision or renewal of our contract is not far off we are requesting Washington consideration and agreement with several modifications in our current contract to ensure that we can more effectively implement our assistance program over the next year.

#### **A. PENDING MODIFICATION OF SO 1 AND DEFERRING THE OBLIGATION OF FY98 FUNDS**

Frank discussions with GFDRE officials at all levels on our long delayed assistance in helping to achieve measurable improvements in food security have left us with a firm agreement on procedure, but, as yet, no action. The government has stated that additional assistance is not required to improve agricultural production in high potential areas, but is required in pastoral and low-potential, vulnerable areas. Since last June the federal government has been guiding an effort at the regional level to prepare "food security programs" for the more vulnerable, moisture stressed areas of each region. These programs appeared in drafts in December and have now been the subject of several regional and one national level meeting. We are optimistic about being able to respond to the strong interest of several regional governments for our support of these programs, but a number of issues on packaging and delivering assistance need to be worked out in concert with federal government officials, regional governments and other donors.

This process of design, moving to consensus, and negotiating a mutually acceptable basis for obligation cannot be completed in time to obligate the \$ 5.7 million in funds available in FY98 for this SO. In view of the continuing high priority that USAID places on providing effective assistance in this sector, we request Washington agreement to carry over \$4.9 - 5 million in FY98 Agriculture funds to FY99 to augment the limited funds now projected for agriculture in Ethiopia next year.

Based on the exact nature of the assistance program we conclude with the one or several regional governments we would propose to work with in this sector, we will submit a revised SO either before or as part of our new strategy -- depending on when agreement at a suitable level of detail is reached.

#### **B. REVISION OF SO 4**

The restructuring of activities under SO 4 late in FY97 was based on the review of the SO carried out in the Spring. This narrowed the range of activities under the SO to three IRs, and made it difficult to make progress on all aspects of the original broad SO. Because of this, and the related problem identifying indicators which accurately captured progress at the SO level, the SO Team recommended to Mission Management that we submit a restated, more sharply focused SO on democracy and governance in this R4.

The details of the revised SO 4, together with the background and rationale for this change are presented in this R4 as Annex 1 to the Results Review.

#### **C. PREPARATION AND SUBMISSION OF A NEW INTEGRATED STRATEGIC PLAN**

Discussions on the timing of preparing and reviewing a new assistance strategy for Ethiopia were held during the May 1997 R4 review in Washington. These concluded that an Integrated Strategic Plan would be prepared by the mission, its partners and other relevant agencies of the U.S. Government during 1998 and submitted to Washington for review and approval in early 1999.

A critical ingredient in putting together a strong and representative ISP that has the support of all partners including those in Washington will be selected TDYs from various operating units in Washington. Our Operating Expense budget includes funds to cover the cost of the TDY assistance required.

The initial stages of this process are underway, and planning discussions have been held with USAID staff who have been involved in preparing other ISPs; initial discussions have been held with the Embassy on the basic parameters for the strategy; and consultations with the government on their expectations will take place shortly. We will make a presentation on the status of this strategy process in conjunction with the May 1998 review of this R4.

#### **IV Results Review Annex**

1. Environmental Compliance Summary
2. Restatement of Strategic Objective 4

#### IV Environmental Compliance Summary

Environmental Review Issues: The most significant activity requiring attention to environmental issues is the **Title II Regular program** (\$25 mil./yr; 7 cooperating sponsors (CSs) which over the past year have made serious efforts to come into compliance, and where possible, to move beyond compliance. Ethiopia CSs agreed to become a pilot case for the agency in this effort to, for the first time, come to grips with how to apply procedures under Regulation 216 in a reengineered and non-development assistance mode of operation, e.g. to Title II Regular assisted programs. Each of the 7 CSs put in enormous amounts of professional staff time in providing feedback to USAID so that procedures could be developed that make sense, are able to be implemented and yet comply with the regulation. The Regional Environmental Officer (REO) and AFR/SD made tremendous contributions to this process, conducting at least 3 formal trainings in Africa solely for Title II CSs in the region. As a result, the draft IEEs that have been reviewed so far by the REO have been very good. In addition to the 7 CSs for Ethiopia, Pact sent a participant to the Ethiopia training in preparation for use of the "umbrella" IEE model which will be used by Pact for its sub-grant support activities. USAID/Ethiopia has ensured that the Mission Environmental Officer (MEO) received updated training, and as a result of this training, the mission will consider having a professional FSN become Co-MEO, to provide continuity to the environmental review and monitoring process. This will hopefully contribute to the mission moving beyond "just compliance".

The new agricultural program under SO 1 is as yet to be defined. However, it is highly likely that it will contain elements dealing with the sustainability of agricultural production, and therefore will be able to positively contribute to Ethiopia's environmental issues. The functional elements of the SO 1 have had IEEs done for each of the cooperative agreements, and the EMPOWER project promises to directly address some elements of agricultural sustainability in the coming year. VOCA's Agricultural input retailers training activity got off to an excellent start addressing their IEE findings. VOCA hired an Integrated Pest Management (IPM) expert to develop training modules concerning IPM and agricultural chemicals use. He was then hired to conduct the training of trainers for the activity. The disappointment has been that under the Development of Competitive Markets project (DCM), there have been no proposals submitted for approval that deal with environmental issues. It should be recalled that DCM sub-grants are a demand driven activity, over which the Mission has little control in determining the content. The Mission is also cooperating with the newly arrived US Embassy Environmental Hub Officer, and now exchanges information with him on relevant environmental issues. The mission also set up a meeting for him to meet the REO to get a regional perspective of USAID's environmental activities.

**Upcoming Activities:** A summary table below provides information on the status, by SO, on environmental compliance. It is understood that no irreversible commitment of resources is to occur for programs or activities by the mission before the results of an environmental review have been considered in activity design and implementation (ADS 204.5.3).

Assistance Activities	Environmental Review Completed/Expected	
	FY 98	Comments/Issues
<b>SO 1 Increased Availability of Selected Domestically Produced Food Grains</b>		
Development of Competitive Markets - Project	Revise IEE to include umbrella environmental reviews for activities to be defined under sub-grant facility. 4/98	With possibility of numerous sub-grants whose details are to be yet determined, need for umbrella IEE.
Michigan State University		IEE approved 8/97 for stand alone grant
Resources for Development of Agriculture - Umbrella		
EMPOWER (Winrock) Coop Agr.	Will need to review IEE once activities are clearly defined to determine if it will need revision/update for ag. inputs section.	IEE approved in 5/97.
VOCA Ag. Input Dealers Training Coop. Agreement		IEE approved in 9/96. Training module developed by an IPM specialist in early 1997 to include instruction in proper use, storage and handling of ag. inputs including pesticides. Monitoring of training done; training conducted by IPM specialist.
VOCA Cooperative Unions Development Coop. Agreement	Will need to review project activities if these include construction; monitoring to ensure training components include training on proper use and handling of ag. inputs, ag. chemicals (for grain storage).	IEE approved 7/97. Neg. det. w/conditions for ag inputs, mobile training center to ensure inclusion of environmentally sensitive modules regarding ag. chemicals and fertilizers.
<b>SO 2 Increased Use of Primary and Preventive Health Care Services</b>		
New AIDS activity	Activity may be funded under existing ESHE program, whose IEE would have to be amended to include analysis of new activity relative to current IEE. If not under ESHE, may need a stand alone IEE (8/98).	Details of design still to be determined. Once finalized, will be reviewed for environmental concerns (biological waste management).
ESHE Regional Incentive Funds (RIFs)	Once SNNPR determines what it will do with these funds, an environmental examination will be required (6/98). The ESHE IEE will likely need to be revised to set up an umbrella/environmental review process for these RIF activities.	RIF activities are yet to be determined and are financed from ESHE NPA.

<b>SO 3 Quality and Equity Improved in an Expanded System of Primary Education</b>		
BESO Regional Incentive Funds (RIFs)	BESO will have RIF funds available for 2 regions - Tigray and SNNPR. Once the regions determine what each will do with these funds, an environmental examination will be required (6/98). The BESO IEE will likely need to be revised to set up an umbrella/environmental review process for these RIF activities.	RIF activities are yet to be determined and are financed from BESO NPA.
<b>SO 4 Increased Access to and Participation in a Democratic Society</b>		
Redesign of D/G activity		IEE was reviewed during redesign (6/97). No new activities added to D/G program. IEE therefore did not require amendment.
Revised and extended grant to Pact	IEE will be revised to incorporate an umbrella provision for the Strategic Action Grants (SAGs) and to reflect additions/revisions to the original Pact grant.. IEE revised by REO and will be finalized 3/98.	Revised IEE will allow environmental screening to be used for activities whose designs are not yet determined.
<b>SPO 1 Enhanced Household Food Security in Target Areas</b>		
Strengthening Ethiopia's Response Abilities (SERA)		Categorical Exclusion was approved 7/97. Some studies will be undertaken that relate to environment/sustainable agricultural production.
Title II regular program implementation	IEEs are being developed by all 7 Cooperating Sponsors. These will be reviewed and approved normally before the DAPs and PAAs are approved (4/98), but not later than 9/98.	Several trainings were conducted (Ethiopia, 2/97; Ghana, 1/98; Cape Verde 3/98) in which CSs participated to enhance capabilities to conduct IEEs of TII activities.

### Strategic Objective 4: Democracy & Governance

#### A. Background

USAID/Ethiopia's support to democracy and governance began in 1992 in response to targets of opportunity in the rapidly evolving political environment following the 1991 collapse of the Derg regime and the establishment of the Transitional Government. The SO ("Increased Access to and Participation in a Democratic System") was broadly framed to represent USAID's hope to move democracy forward quickly and to provide the flexibility considered necessary to respond to the changing environment and opportunities. A 1994 evaluation recommended refinements in this strategy. In that same year, a results framework was formulated for the SO that captured activities that had been on-going since 1992 and included future areas of activity. Five major areas and three sub-areas of activity were identified. The major areas were: fiscal federalism; the judicial system; the legislature; electoral administration; and civil society. The sub-areas were: the media; human rights; and electoral systems. Reflecting the broad scope of the SO, indicators at the SO level were also broadly defined as "the freedom house index" and "percentage of registered voters who vote". There is no change in the freedom house indicator from last year, and since this is not a year for national or regional elections, there is no comparable information on voter turnout.

The Mission initiated a major review/evaluation of the D/G activity in the spring of 1997 to reassess the operative environment, develop a strong framework to provide overall coherence, and establish priorities for future initiatives. This review concurred with later USAID/W reactions to the FY99 R4 that the activities under the SO needed to be more focused. The result is a narrowed and focused approach organized around the reformulation of three of the original IRs. At that time, it was felt that the redesign should stay within the confines of the original SO, so the IRs were refocused but the SO was retained.

After a year of trying to link the newly focused IRs to the broad SO and its broadly framed indicators, however, the SO team felt that a more narrowed and focused SO statement was needed. The new SO is therefore a restated SO, not a totally new one. During this year's internal R4 reviews in USAID/Ethiopia, the SO team strongly recommended that the SO be revised. After much debate, this recommendation was accepted. The restated SO, **"Effective Government and Civil Society Organizations Developed to Promote Accountability and Participation"** consolidates and captures the thrust of our efforts within our three intermediate results of: "Effective & Participatory Decentralization"; "Strengthened Judicial System"; and "Organized Societal Participation to Advance Community Interests Increased".

The decision to make this change was reached at the internal Mission R4 review in January of this year. As such, the SO team has just begun to develop indicators for this SO. Some draft indicators are presented in the attached results framework. We understand there is no official guidance on "restated" SOs but we would like to request that we have 18 months to report at the SO level. Next year's R4 will identify the baseline at this level.

Below is a summary of the analysis which led to the refocus of our activities into three results packages focused on decentralization, the judiciary, and civil society. We hope this summary will assist USAID/W to understand what we have done, why we have done it, and what results we expect to achieve.

#### B. Summary

Over two years after the EPRDF was voted into office, Ethiopia is now at a critical stage in its history. Issues likely to have profound impact on the country's democratic evolution and emergence of better governance are being addressed, and most of the serious challenges revolve around operational implications of the nation's new constitutional and federalist structures. These structures reflect a commitment to multiparty democracy within a federal system which grants substantial authority to the regions, as opposed to the center. USAID's support to strengthening this democracy is strategically designed to assist in addressing present challenges and to make the most effective use of scarce resources through three results packages which support the decentralization process, the judiciary, and civil society.

Underlying USAID's commitment to address democracy and governance issues is the conviction that these issues are at the heart of Ethiopia's considerable developmental challenge, and indeed underlie all development strategies and programs. Long-term



sustainable development in Ethiopia cannot be achieved without progress in the establishment of a transparent, participatory, responsive and accountable political system.

### C. Ethiopia at a Critical Stage

The impact of the Derg's long reign of terror and the protracted civil war lingers in the minds of the Ethiopian people and in the country's political landscape. Most dramatically, the political dominance of the Amhara has been ended, with local and national political power increasingly exercised by groups long excluded from any significant national leadership roles.

There is a strong sense that Ethiopia has crossed a threshold. The damage done to the economy, physical infrastructure and institutions of governance is being repaired and progress is evident. In addition, broad outlines of the new political order are fairly clear. A new constitution has been adopted and is in place. National elections have been completed; a new parliament and prime minister have assumed office; regional governments are functioning. The challenges for the future largely revolve around problems of understanding and addressing the operational implications of the constitution, particularly the new federalist structure it creates, and gauging how to best assist in implementing its provisions in an effective and democratic manner.

A fundamental element of the government's challenge is to shift to a new path of sustained development and unleash domestic energies and resources. It must attempt to alter the character of the Ethiopian state by redefining its structure and mode of operation and its role vis-a-vis citizens. Responding to the problems of an extremely diverse polity, the transitional government made a fundamental decision that permeates all analysis of democracy and governance issues: reversing the past tradition of highly centralized and unaccountable political power and substituting in its place a federation of regions demarcated along ethnic lines. Whereas other African nations have attempted to blur, contain or ignore ethnic divisions, the structure of the new Ethiopian state consciously and boldly reflects and empowers them.

At all governmental levels, the central issue facing political leaders is how best to implement the constitutional provisions which established the new federal system. Although the broad outlines and intentions are clear, fundamental institutional change on this scale cannot be expected to come about easily or quickly. The operational implementation of federalism has generated confusion and uncertainty as the assumptions and structures of the former system are challenged and replaced. Often, government officials are not sure how to proceed. This confusion cuts across virtually all units of government and all development sectors and is accentuated by an historical absence of transparency in the formation of public policy and its administration. Further, even when policy decisions have been reached, they are not always communicated clearly or widely, leaving the way open for seemingly arbitrary government action or a paralysis of indecision.

### D. USAID/Ethiopia's Democracy and Governance Strategic Objective (SO)

USAID's new democracy and governance SO is: **effective government and civil society organizations developed to promote accountability and participation**. USAID proposes to move toward this SO by the achievement of three intermediate results: 1.) effective and participatory administrative decentralization; 2.) a strengthened judicial system; and 3.) organized societal participation to advance community interests increased. By improving the decentralization process, strengthening the judicial system and supporting organized participation (civil society), it is believed that there will be more accountability and participation in selected government and civil society organizations. Strategic interventions in these areas appropriately address the areas of concern that impede Ethiopia's progress towards democratic governance, which we feel is the higher level goal, but one which we do not feel is achievable at the SO level within the timeframe of our current assistance activity.

The logical framework of our SO and IRs delineates both a linear and vertical thought process. Vertically, the three IRs are all focusing on institutional strengthening of selected government and civil society organizations. The result of that strengthening is more effective organizations. At the SO level, and in a linear fashion, these effective organizations will promote accountability and participation. The logical next question is, "so what"? Is accountability and participation the end game? No, the end game is what we would call, the "big D" (democratic governance). By having more effective organizations and improved accountability and participation it will lead to more democratic governance which is a longer term effort.

### E. STRATEGIC OBJECTIVE RESULTS FRAMEWORK

OBJECTIVE: EFFECTIVE GOVERNMENT AND CIVIL SOCIETY ORGANIZATIONS DEVELOPED TO PROMOTE ACCOUNTABILITY AND PARTICIPATION

Indicators5:

1. Degree to which national and regional capacity to manage resources is increased using a participatory process
2. Degree to which the judiciary is accountable to citizens' legal rights
3. Degree to which civil society organizations function to promote increased participation

**Intermediate Result 1:** Effective and participatory administrative decentralization

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5An index has been developed for each of these indicators and is available upon request

Critical Assumption: Effective fiscal federalism is a necessary but not sufficient element of the process of reconstituting the Ethiopian polity along decentralized federal lines, upon which the long-term stability of the state likely depends. Sustained commitment to political devolution and increased capacity of regional political structures are essential conditions for overall success.

Indicators:

1. Effective & transparent resource allocation & management systems functioning at federal & regional levels
2. Increased stakeholder participation in design of policy reform and strategy implementation
3. Improved capacity for macroeconomic management

**Intermediate Result 2: Strengthened judicial system**

ASSUMPTIONS: Relative stability in federal and regional judicial personnel

Indicators:

1. Increased legal knowledge of regional high court judges
2. Improved understanding of judges on practical judicial independence
3. Institutionalization of training program at Federal Supreme Court (FSC)

Critical Assumption: One of the side effects of decentralization is that no government entity is charged with responsibility for coordination or oversight of the judicial system. Regions have been charged with managing their own courts, but many regions lack experienced personnel. There are few common standards, procedure or regulations for court administration. The regional courts are looking to the federal court for support and coordination. In response, the FSC has proposed restructuring the judicial system that would include the establishment of a coordination office to strengthen the court as a whole. This proposal must be accepted by the GFDRE and the FSC must follow through on its intention to base the training program in this office. Sustainability of the judicial training program will rest on successful negotiations with the FSC to adopt and provide a base for this program.

**Intermediate Result 3: Organized societal participation to advance community interests increased**

Indicators:

1. Increased in the # of CSOs registered & re-registered
2. Increased number of CSOs with effective strategic & management plans/systems & financial systems
3. CSO networks successfully develop common positions/approaches

Critical Assumption: Although efforts are focused exclusively on the improvement of the enabling environment relating to the capacity of domestic Ethiopian CSOs, our ability to have an impact in this area is highly conditioned by the enabling environment for the international NGOs who are our primary partners. Were the enabling environment for international NGOs such as PACT to deteriorate significantly, our ability to achieve an impact in this area would be severely compromised.

USAID/Ethiopia

Special Objective One

<b>Enhanced Household Food Security in Target Areas</b>				
<b>IR 1</b>  <b>Increased Agricultural Crop Production</b>	<b>IR 2</b>  <b>Increased Household Income</b>	<b>IR 3</b>  <b>Improved Health Status</b>	<b>IR 4</b>  <b>Natural Resource Base Maintained</b>	<b>IR 5</b>  <b>Emergency Response Capacity Maintained</b>

Details of proposed indicators follow.

## SPECIAL OBJECTIVE

### Intermediate Result 1

#### Increased Agricultural Crop Production

INDICATOR A	INDICATOR B	REPORTING TIME FRAME
Percentage increase in yield (by crop)	Percentage change in overall crop production per household (by crop)	To be reported on in years 1, 3, and 5

PREDICTIVE INDICATORS	REPORTING TIME FRAME
Percentage increase in fertilizer use	To be reported on annually
Percentage increase in use of improved seed varieties	To be reported on annually
Percentage increase of irrigated area	To be reported on annually
Percentage increase of improved agricultural practices	To be reported on annually

- Reporting may be done on up to 5 (five) major crops; i.e. barley, teff, maize, etc.
- Meher harvest is measured; belg is measured only if it represents 20% or more of overall production.
- Baseline (and subsequent annual monitoring surveys) must be done as soon after harvest as possible - in January/February for Meher and in June for Belg.

## SPECIAL OBJECTIVE

### Intermediate Result 2

#### **Increased Household Income**

PREDICTIVE INDICATORS	REPORTING TIME FRAME
Percentage increase in number of Livestock	To be reported on annually
Improvements in "physical state" of household	To be reported on annually
Percentage of households able to add food or luxury items to diet	To be reported on annually
Increase in savings	To be reported on annually
Increase in income from cash crops and/or increase of area /number of cash crops cultivated	To be reported on annually

- All NGOs with programs that impact Intermediate Result 2 will report on the first three proxy indicators. NGOs with projects involving cash crop production or savings will also report on the fourth and fifth indicator in the above table.
- It was acknowledged that the above indicators must be region specific and will be tailored based on baseline information - i.e. specific livestock , additional food added to diet, procurement of specific "luxury" items etc.

## SPECIAL OBJECTIVE

### Intermediate Result 3

#### Improved Health Status in Target Areas

<u>INDICATOR A</u>	<u>INDICATOR B</u>	<u>REPORTING TIME FRAME</u>
<b>Reduced Prevalence of diarrhoeal diseases</b>	<b>Percentage of Children underweight (Rate for age rates (under 60 months)</b>	<b>To be reported on in years 1, 3 and 5</b>

PREDICTIVE INDICATORS	REPORTING TIME FRAME
Percentage increase in families using family planning methods (measure by CPR)	To be reported on annually
Percentage increase in births where mothers attended one or more pre-natal care sessions	To be reported on annually
Percentage increase in deliveries attended by trained TBAs	To be reported on annually
Percentage increase in births where mothers attended one or more post-natal care sessions	To be reported on annually
Increase in number of children (12-23 months of age) fully immunized (EPI)	To be reported on annually
Percentage increase of coverage of children receiving vitamin A supplements (emphasis on targeted areas)	To be reported on annually
Percentage increase of children who have weaning foods introduced at the appropriate time (after 6 months)	To be reported on annually
Percentage increase of households using protected water sources	To be reported on annually

Percentage increase of water used by household	To be reported on annually
Percentage of population reporting X number of visits to a health post in the past six months	To be reported on annually
Percentage increase in number of participant households with a vegetable garden for household consumption	To be reported on annually

- Only those predictive or proxy indicators that relate to the NGO's intervention are to be measured (every year).

## SPECIAL OBJECTIVE

### Intermediate Result 4

#### **Natural Resource Base Maintained**

INDICATOR A	INDICATOR B	REPORTING TIME FRAME
<b>Unit/Area of communal land protected or reclaimed</b>	<b>Reduced soil loss (measure by Universal Soil Loss Equation)</b>	<b>To be reported on annually</b>

- The Universal Soil Loss Equation - USLE - will be used to measure impact of project interventions and will monitor ongoing maintenance efforts.
- Conservation efforts on private lands can also be measured, however reporting should in this case, fall under IR 1 or IR 2.
- The same area (or representative sample) must be measured annually in order to monitor program impact.



SPECIAL OBJECTIVE

Intermediate Result 5

**Emergency Response Capacity Maintained**

INDICATOR A	INDICATOR B	REPORTING TIME FRAME
<b>Approved/updated disaster management plans in place</b>	<b>Access to local Early Warning Information for all target areas</b>	<b>To be reported on annually</b>

- All NGOs will report on Intermediate Result 5
- Approved/updated disaster management plans will be incorporated into the formal Title II DAP/PAA review process.

**FY2000 Results Review and Resources Request**  
**USAID/Ethiopia**

**V - Resources Request**

## V 1 Financial Plan - Narrative

Since the Results Review portion of this document may not be easily available to those reading the following program funding tables, we have chosen to attach a narrative which highlights the major budget issues which these tables reflect.

We have presented two sets of tables:

The first (PF-21663.WK4) adheres to the control levels provided us thus far for FY 98 and 99.

The second (Alternate tables = PF21663A.WK4) does not follow the control levels, but makes the adjustments we are requesting in this document

The first set of tables for FY 98 does not show the switch of \$1 million in Environment funds for Population funds (SOs 1 and 2) we have offered to make, and shows the obligation of \$4.9 million in agriculture funds we have requested be "rolled over" to FY99 (SO 1).

The revised tables reflect "reality" adjustments on the above actions.

Both the regular and revised tables include increased levels of funds in out-years to increase funding levels and extend the life of activities under SOs 2, 3 and 4.

*Consult with AFR/EA on*

*Possibility of trading Ag funds for DG if we cannot carry over any or all of the Ag funds to FY99*

*Request for Infectious Disease target funds to supplement existing program and to support new programs*

**V 1 Financial Plan - Table PF-21663.wk4 and PF21663a, pages 2 - 7**

## USAID FY 2000 BUDGET REQUEST BY PROGRAM/COUNTRY

11-Aug-98  
01:12 PMCountry/Program: Ethiopia  
Scenario: Base Level

S.O. # , Title		FY 2000															Future Cost (POST 2000)	Year of Final Oblig.**
Approp. Acct	Bilateral/Field Support	Est. SO Pipeline End of FY 99	Estimated Total	Basic Education	Agric.	Other Growth	Pop	Child Survival	Infectious Diseases	HIV/AIDS	Other Health	Environ	D/G	Est. Expend. FY 00	Est. Total Cost life of SO			
SO 1: Increased Availability of Selected Domestically Produced Food Grains																		
DA	Bilateral	18,511	7,000	0	6,000	0	0	0	0	0	0	1,000	0	8,000	70,000	34,600	04	
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Total		18,511	7,000	0	6,000	0	0	0	0	0	0	1,000	0	8,000	70,000			
PL 480 Title III *	Bilateral	0	10,000	0	0	10,000	0	0	0	0	0	0	0	10,000		34,600		
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Total		0	10,000	0	0	10,000	0	0	0	0	0	0	0	10,000	0			
SO 2: Increased Use of Primary and Preventive Health Care Services																		
DA/CS	Bilateral	5,331	14,660	0	0	0	4,000	5,050	300	4,715	595	0	0	17,595	130,000	60,000	02	
DA/CS	Field Spt	3,523	5,450	0	0	0	2,175	950	0	2,325	0	0	0	6,294	35,000			
Total		8,854	20,110	0	0	0	6,175	6,000	300	7,040	595	0	0	23,889	165,000			
SO 3: Quality and Equity Improved in an Expanded System of primary Education																		
CS	Bilateral	12,804	14,100	14,100	0	0	0	0	0	0	0	0	0	16,558	125,000	45,000	01	
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Total		12,804	14,100	14,100	0	0	0	0	0	0	0	0	0	16,558	125,000			
SO 4: Increased Access to and Participation in a Democratic System																		
DA	Bilateral	3,790	4,000	0	0	0	0	0	0	0	0	300	3,700	4,000	43,110	15,300	02	
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Total		3,790	4,000	0	0	0	0	0	0	0	0	300	3,700	4,000	43,110			
SPO 1: Enhanced Household Household Food Security in Target Areas																		
DA/CS	Bilateral	280	1,000	0	0	300	0	500	0	0	0	200	0	1,000	4,000	0	00	
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Total		280	1,000	0	0	300	0	500	0	0	0	200	0	1,000	4,000			
PL 480 * Title II-R	Bilateral	0	26,760	0	0	26,760	0	0	0	0	0	0	0	26,760		0		
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Total		0	26,760	0	0	26,760	0	0	0	0	0	0	0	26,760	0			
	Bilateral		0													0		
	Field Spt		0															
Total		0	0	0	0	0	0	0	0	0	0	0	0					
	Bilateral		0													0		
	Field Spt		0															
Total		0	0	0	0	0	0	0	0	0	0	0	0					
	Bilateral		0													0		
	Field Spt		0															
Total		0	0	0	0	0	0	0	0	0	0	0	0					
Total Bilateral			40,716	77,520	14,100	6,000	37,060	4,000	5,550	300	4,715	595	1,500	3,700		154,900		
Total Field Support			3,523	5,450	0	0	0	2,175	950	0	2,325	0	0	0				
TOTAL PROGRAM			44,239	82,970	14,100	6,000	37,060	6,175	6,500	300	7,040	595	1,500	3,700				

<b>FY 2000 Request Sector Totals -- DA</b>		
Econ Growth	6,300	
[Of which Microenterprise]		
HCD	14,100	
PHN	20,610	
Environment	1,500	
[Of which Biodiversity]		
Democracy	3,700	
Humanitarian	0	

<b>FY 2000 Request Sector Totals -- ESF</b>		
Econ Growth	0	
[Of which Microenterprise]		
HCD	0	
PHN	0	
Environment	0	
[Of which Biodiversity]		
Democracy	0	
Humanitarian	0	

FY 2001 Target Program Level	50,000
FY 2002 Target Program Level	50,000
FY 2003 Target Program Level	50,000

Note:

\* - PL 480 Title II and Title III are shown under "other growth" category.

\*\* - Years of final obligation for SOs 2,3 and are subject to extension

## USAID FY 1999 Budget Request by Program/Country

11-Aug-98  
01:12 PMCountry/Program: Ethiopia  
Scenario: Base Level

S.O. #, Title		FY 1999														Future Cost (POST 2000)	Year of Final Oblig.**	
Approp. Acct	Bilateral/Field Support	Est. SO Pipeline End of FY 98	Estimated Total	Basic Education	Agric.	Other Growth	Pop	Child Survival	Infectious Diseases	HIV/AIDS	Other Health	Environ	D/G	Est. Expend. FY 99	Est. Total Cost life of SO			
SO 1: Increased Availability of Selected Domestically Produced Food Grains																		
DA	Bilateral	17,311	6,200	0	4,500	0	0	0	0	0	0	1,700	0	5,000	70,000	34,600	04	
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Total		17,311	6,200	0	4,500	0	0	0	0	0	0	1,700	0	5,000	70,000	34,600		
PL 480 Title III *	Bilateral	0	10,000	0	0	10,000	0	0	0	0	0	0	0	10,000				
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Total		0	10,000	0	0	10,000	0	0	0	0	0	0	0	10,000				
SO 2: Increased Use of Primary and Preventive Health Care Services																		
DA/CS	Bilateral	22,631	9,150	0	0	0	2,100	3,050	300	3,105	595	0	0	26,450	130,000	60,000	02	
DA/CS	Field Spt	4,342	6,035	0	0	0	2,650	950	0	2,435	0	0	0	6,854	35,000			
Total		26,973	15,185	0	0	0	4,750	4,000	300	5,540	595	0	0	33,304	165,000	60,000		
SO 3: Quality and Equity Improved in an Expanded System of primary Education																		
CS	Bilateral	14,427	13,000	13,000	0	0	0	0	0	0	0	0	0	14,623	125,000	45,000	01	
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Total		14,427	13,000	13,000	0	0	0	0	0	0	0	0	0	14,623	125,000	45,000		
SO 4: Increased Access to and Participation in a Democratic System																		
DA	Bilateral	6,480	2,200	0	0	0	0	0	0	0	0	200	2,000	4,890	43,110	15,300	02	
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Total		6,480	2,200	0	0	0	0	0	0	0	0	200	2,000	4,890	43,110	15,300		
SPO 1: Enhanced Household Household Food Security in Target Areas																		
DA/CS	Bilateral	280	1,000	0	0	300	0	200	0	0	0	500	0	1,000	4,000	0	00	
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Total		280	1,000	0	0	300	0	200	0	0	0	500	0	1,000	4,000	0		
PL 480 * Title II-R	Bilateral	0	24,100	0	0	24,100	0	0	0	0	0	0	0	24,100		0		
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Total		0	24,100	0	0	24,100	0	0	0	0	0	0	0	24,100		0		
	Bilateral		0															
	Field Spt		0															
Total		0	0	0		0	0	0		0	0	0	0			0		
	Bilateral		0															
	Field Spt		0															
Total		0	0	0		0	0	0		0	0	0	0			0		
Total Bilateral		61,129	65,650	13,000	4,500	34,400	2,100	3,250	300	3,105	595	2,400	2,000					
Total Field Support		4,342	6,035	0	0	0	2,650	950	0	2,435	0	0	0					
TOTAL PROGRAM		65,471	71,685	13,000	4,500	34,400	4,750	4,200	300	5,540	595	2,400	2,000			154,900		

<b>FY 1999 Request Sector Totals -- DA</b>		
Econ Growth	4,800	
[Of which Microenterpris		
HCD	13,000	
PHN	15,385	
Environment	2,400	
[Of which Biodiversity]		
Democracy	2,000	
Humanitarian	0	

<b>FY 1999 Request Sector Totals -- ESF</b>		
Econ Growth	0	
[Of which Microenterprise		
HCD	0	
PHN	0	
Environment	0	
[Of which Biodiversity]		
Democracy	0	
Humanitarian	0	

FY 2001 Target Program Level	50,000
FY 2002 Target Program Level	50,000
FY 2003 Target Program Level	50,000

## Note:

\* - PL 480 Title II and Title III are shown under "other growth" category.

\*\* - Years of final obligation for SOs 2,3 and are subject to extension

## USAID FY 1998 Budget Request by Program/Country

11-Aug-98  
01:12 PMCountry/Program: Ethiopia  
Scenario: Base Level

S.O. # , Title		FY 1998															Future Cost (POST 2000)	Year of Final Oblig.**
Approp. Acct	Bilateral/Field Support	Est. SO Pipeline End of FY 97	Estimated Total	Basic Education	Agric.	Other Growth	Pop	Child Survival	Infectious Diseases	HIV/AIDS	Other Health	Environ	D/G	Est. Expend. FY 98	Est. Total Cost life of SO			
SO 1: Increased Availability of Selected Domestically Produced Food Grains																		
DA	Bilateral	12,401	8,100	0	6,400	0	0	0	0	0	0	1,700	0	3,190	70,000	34,600	04	
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Total		12,401	8,100	0	6,400	0	0	0	0	0	0	1,700	0	3,190	70,000			
PL 480 Title III *	Bilateral	0	9,900	0	0	9,900	0	0	0	0	0	0	0	9,900				
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0				
Total		0	9,900	0	0	9,900	0	0	0	0	0	0	0	9,900				
SO 2: Increased Use of Primary and Preventive Health Care Services																		
DA/CS	Bilateral	24,287	13,955				4,355	4,300	500	3,800	1,000			15,611	130,000	60,000	02	
DA/CS	Field Spt	6,639	9,170				5,145	2,700	0	1,325	0			11,467	35,000			
Total		30,926	23,125	0		0	9,500	7,000	500	5,125	1,000	0	0	27,078	165,000			
SO 3: Quality and Equity Improved in an Expanded System of primary Education																		
CS	Bilateral	25,518	12,060	12,060	0	0	0	0	0	0	0	0	0	23,151	125,000	45,000	01	
	Field Spt		0	0	0	0	0	0	0	0	0	0	0	0	0			
Total		25,518	12,060	12,060	0	0	0	0	0	0	0	0	0	23,151	125,000			
SO 4: Increased Access to and Participation in a Democratic System																		
DA	Bilateral	10,000	1,300	0	0	0	0	0	0	0	0	300	1,000	4,820	43,110	15,300	02	
	Field Spt		0	0	0	0	0	0	0	0	0	0	0	0	0			
Total		10,000	1,300	0	0	0	0	0	0	0	0	300	1,000	4,820	43,110			
SPO 1: Enhanced Household Household Food Security in Target Areas																		
DA/CS	Bilateral	1,000	1,000	0	0	300	0	200	0	0	0	500	0	1,720	4,000	0	00	
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Total		1,000	1,000	0	0	300	0	200	0	0	0	500	0	1,720	4,000			
PL 480 * Title II-R	Bilateral	0	20,587	0	0	20,587	0	0	0		0	0	0	20,587		0		
	Field Spt	0	0	0	0	0	0	0	0		0	0	0	0				
Total		0	20,587	0	0	20,587	0	0	0	0	0	0	0	20,587				
	Bilateral		0													0		
	Field Spt		0															
Total		0	0	0	0	0	0	0	0	0	0	0	0					
	Bilateral		0													0		
	Field Spt		0															
Total		0	0	0	0	0	0	0	0	0	0	0	0					
Total Bilateral		73,206	66,902	12,060	6,400	30,787	4,355	4,500	500	3,800	1,000	2,500	1,000		154,900			
Total Field Support		6,639	9,170	0	0	0	5,145	2,700	0	1,325	0	0	0					
TOTAL PROGRAM		79,845	76,072	12,060	6,400	30,787	9,500	7,200	500	5,125	1,000	2,500	1,000					

<b>FY 1998 Request Sector Totals -- DA</b>	
Econ Growth	6,700
[Of which Microenterpris	[]
HCD	12,060
PHN	23,325
Environ	2,500
[Of which Biodiversity]	[]
Democracy	1,000
Humanitarian	0

<b>FY 1998 Request Sector Totals -- ESF</b>	
Econ Growth	0
[Of which Microenterprise	[]
HCD	0
PHN	0
Environ	0
[Of which Biodiversity]	[]
Democracy	0
Humanitarian	0

FY 2001 Target Program Level 50,000  
FY 2002 Target Program Level 50,000  
FY 2003 Target Program Level 50,000

Note:  
\* - PL 480 Title II and Title III are shown under "other growth" category.  
\*\* - Years of final obligation for SOs 2,3 and are subject to extension

## USAID FY 2000 BUDGET REQUEST BY PROGRAM/COUNTRY

11-Aug-98  
01:13 PMCountry/Program: Ethiopia (Alternative Scenario)  
Scenario: Base Level

S.O. #, Title				FY 2000														Future Cost (POST 2000)	Year of Final Oblig.**
Approp. Acct	Bilateral/Field Support	Est. SO Pipeline End of FY 99	Estimated Total	Basic Education	Agric.	Other Growth	Pop	Child Survival	Infectious Diseases	HIV/AIDS	Other Health	Environ	D/G	Est. Expend. FY 00	Est. Total Cost life of SO				
SO 1: Increased Availability of Selected Domestically Produced Food Grains																			
DA	Bilateral	17,511	7,000	0	6,000	0	0	0	0	0	0	1,000	0	8,000	70,000	34,600	04		
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
Total		17,511	7,000	0	6,000	0	0	0	0	0	0	1,000	0	8,000	70,000				
PL 480 Title III *	Bilateral	0	10,000	0	0	10,000	0	0	0	0	0	0	0	10,000					
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
Total		0	10,000	0	0	10,000	0	0	0	0	0	0	0	10,000					
SO 2: Increased Use of Primary and Preventive Health Care Services																			
DA/CS	Bilateral	5,831	14,660	0	0	0	4,000	5,050	300	4,715	595	0	0	18,095	130,000	60,000	02		
DA/CS	Field Spt	2,523	5,450	0	0	0	2,175	950	0	2,325	0	0	0	6,294	35,000				
Total		8,354	20,110	0	0	0	6,175	6,000	300	7,040	595	0	0	24,389	165,000				
SO 3: Quality and Equity Improved in an Expanded System of primary Education																			
CS	Bilateral	12,804	14,100	14,100	0	0	0	0	0	0	0	0	0	16,558	125,000	45,000	01		
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
Total		12,804	14,100	14,100	0	0	0	0	0	0	0	0	0	16,558	125,000				
SO 4: Increased Access to and Participation in a Democratic System																			
DA	Bilateral	3,790	4,000	0	0	0	0	0	0	0	0	300	3,700	4,000	43,100	5,300	02		
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
Total		3,790	4,000	0	0	0	0	0	0	0	0	300	3,700	4,000	43,100				
SPO 1: Enhanced Household Household Food Security in Target Areas																			
DA/CS	Bilateral	280	1,000	0	0	300	0	500	0	0	0	200	0	1,000	4,000	0	00		
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
Total		280	1,000	0	0	300	0	500	0	0	0	200	0	1,000	4,000				
PL 480 * Title II-R	Bilateral	0	26,760	0	0	26,760	0	0	0	0	0	0	0	26,760		0			
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
Total		0	26,760	0	0	26,760	0	0	0	0	0	0	0	26,760	0				
	Bilateral		0													0			
	Field Spt		0																
Total		0	0	0	0	0	0	0	0	0	0	0	0						
	Bilateral		0													0			
	Field Spt		0																
Total		0	0	0	0	0	0	0	0	0	0	0	0						
Total Bilateral			40,216	77,520	14,100	6,000	37,060	4,000	5,550	300	4,715	595	1,500	3,700		154,900			
Total Field Support			2,523	5,450	0	0	0	2,175	950	0	2,325	0	0	0					
TOTAL PROGRAM			42,739	82,970	14,100	6,000	37,060	6,175	6,500	300	7,040	595	1,500	3,700					

<b>FY 2000 Request Sector Totals -- DA</b>		
Econ Growth		6,300
[Of which Microenterprise]		0
HCD		14,100
PHN		20,610
Environment		1,500
[Of which Biodiversity]		0
Democracy		3,700
Humanitarian		0

<b>FY 2000 Request Sector Totals -- ESF</b>		
Econ Growth		0
[Of which Microenterprise]		0
HCD		0
PHN		0
Environment		0
[Of which Biodiversity]		0
Democracy		0
Humanitarian		0

FY 2001 Target Program Level	50,000
FY 2002 Target Program Level	50,000
FY 2003 Target Program Level	50,000

Note:

\* - PL 480 Title II and Title III are shown under "other growth" category.

\*\* - Years of final obligation for SOs 2,3 and 4 are subject to extension.



Program Funding

USAID FY 1999 Budget Request by Program/Country

11-Aug-98  
01:13 PM

Country/Program: Ethiopia (Alternative Scenario)  
Scenario: Base Level

S.O. #, Title		FY 1999														Future Cost (POST 2000)	Year of Final Oblig.**
Approp. Acct	Bilateral/Field Support	Est. SO Pipeline End of FY 98	Estimated Total	Basic Education	Agric.	Other Growth	Pop	Child Survival	Infectious Diseases	HIV/AIDS	Other Health	Environ	D/G	Est. Expend. FY 99	Est. Total Cost life of SO		
SO 1: Increased Availability of Selected Domestically Produced Food Grains																	
DA	Bilateral	11,411	11,100	0	9,400	0	0	0	0	0	0	1,700	0	5,000	70,000	34,600	04
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Total		11,411	11,100	0	9,400	0	0	0	0	0	0	1,700	0	5,000	70,000	34,600	
PL 480 Title III *	Bilateral	0	10,000	0	0	10,000	0	0	0	0	0	0	0	10,000			
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0			
Total		0	10,000	0	0	10,000	0	0	0	0	0	0	0	10,000			
SO 2: Increased Use of Primary and Preventive Health Care Services																	
DA/CS	Bilateral	23,631	9,150	0	0	0	2,100	3,050	300	3,105	595	0	0	26,950	130,000	60,000	02
DA/CS	Field Spt	3,342	6,035	0	0	0	2,650	950	0	2,435	0	0	0	6,854	35,000		
Total		26,973	15,185	0	0	0	4,750	4,000	300	5,540	595	0	0	33,804	165,000	60,000	
SO 3: Quality and Equity Improved in an Expanded System of primary Education																	
CS	Bilateral	14,427	13,000	13,000	0	0	0	0	0	0	0	0	0	14,623	125,000	45,000	01
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total		14,427	13,000	13,000	0	0	0	0	0	0	0	0	0	14,623	80,000	45,000	
SO 4: Increased Access to and Participation in a Democratic System																	
DA	Bilateral	6,480	2,200	0	0	0	0	0	0	0	0	200	2,000	4,890	43,110	15,300	02
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Total		6,480	2,200	0	0	0	0	0	0	0	0	200	2,000	4,890	43,110	15,300	
SPO 1: Enhanced Household Household Food Security in Target Areas																	
DA/CS	Bilateral	280	1,000	0	0	300	0	200	0	0	0	500	0	1,000	4,000	0	00
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Total		280	1,000	0	0	300	0	200	0	0	0	500	0	1,000	4,000	0	
PL 480 * Title II-R	Bilateral	0	24,100	0	0	24,100	0	0	0	0	0	0	0	24,100		0	
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0			
Total		0	24,100	0	0	24,100	0	0	0	0	0	0	0	24,100		0	
	Bilateral		0														
	Field Spt		0														
Total		0	0	0	0	0	0	0	0	0	0	0	0			0	
	Bilateral		0														
	Field Spt		0														
Total		0	0	0	0	0	0	0	0	0	0	0	0			0	
Total Bilateral		56,229	70,550	13,000	9,400	34,400	2,100	3,250	300	3,105	595	2,400	2,000				
Total Field Support		3,342	6,035	0	0	0	2,650	950	0	2,435	0	0	0				
TOTAL PROGRAM		59,571	76,585	13,000	9,400	34,400	4,750	4,200	300	5,540	595	2,400	2,000			154,900	

<b>FY 1999 Request Sector Totals -- DA</b>	
Econ Growth	9,700
[Of which Microenterpris	[]
HCD	13,000
PHN	15,385
Environment	2,400
[Of which Biodiversity]	[]
Democracy	2,000
Humanitarian	0

<b>FY 1999 Request Sector Totals -- ESF</b>	
Econ Growth	0
[Of which Microenterprise	[]
HCD	0
PHN	0
Environment	0
[Of which Biodiversity]	[]
Democracy	0
Humanitarian	0

FY 2001 Target Program Level	50,000
FY 2002 Target Program Level	50,000
FY 2003 Target Program Level	50,000

Note:

\* - PL 480 Title II and Title III are shown under "other growth" category.  
\*\* - Years of final obligation for SOs 2,3 and 4 are subject to extension.

Program Funding

USAID FY 1998 Budget Request by Program/Country

11-Aug-98  
01:13 PM

Country/Program: Ethiopia (Alternative Scenario)  
Scenario: Base Level

S.O. # , Title		FY 1998														Future Cost (POST 2000)	Year of Final Oblig.**		
Approp. Acct	Bilateral/Field Support	Est. SO Pipeline End of FY 97	Estimated Total	Basic Education	Agric.	Other Growth	Pop	Child Survival	Infectious Diseases	HIV/AIDS	Other Health	Environ	D/G	Est. Expend. FY 98	Est. Total Cost life of SO				
SO 1: Increased Availability of Selected Domestically Produced Food Grains																			
DA	Bilateral	12,401	2,200	0	1,500	0	0	0	0	0	0	700	0	3,190	70,000	34,600	04		
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
Total		12,401	2,200	0	1,500	0	0	0	0	0	0	700	0	3,190	70,000	34,600			
PL 480 Title III *	Bilateral	0	9,900	0	0	9,900	0	0	0	0	0	0	0	9,900					
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
Total		0	9,900	0	0	9,900	0	0	0	0	0	0	0	9,900					
SO 2: Increased Use of Primary and Preventive Health Care Services																			
DA/CS	Bilateral	24,287	14,955				5,355	4,300	500	3,800	1,000			15,611	130,000	60,000	02		
DA/CS	Field Spt	6,639	9,170				5,145	2,700	0	1,325	0			11,467	35,000				
Total		30,926	24,125	0	0	0	10,500	7,000	500	5,125	1,000	0	0	27,078	165,000	60,000			
SO 3: Quality and Equity Improved in an Expanded System of primary Education																			
CS	Bilateral	25,518	12,060	12,060	0	0	0	0	0	0	0	0	0	23,151	125,000	45,000	01		
	Field Spt		0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Total		25,518	12,060	12,060	0	0	0	0	0	0	0	0	0	23,151	125,000	45,000			
SO 4: Increased Access to and Participation in a Democratic System																			
DA	Bilateral	10,000	1,300	0	0	0	0	0	0	0	0	300	1,000	4,820	43,110	15,300	02		
	Field Spt		0	0	0	0	0	0	0	0	0	0	0	0	0				
Total		10,000	1,300	0	0	0	0	0	0	0	0	300	1,000	4,820	43,110	15,300			
SPO 1: Enhanced Household Household Food Security in Target Areas																			
DA/CS	Bilateral	1,000	1,000	0	0	300	0	200	0	0	0	500	0	1,720	4,000	0	00		
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
Total		1,000	1,000	0	0	300	0	200	0	0	0	500	0	1,720	4,000	0			
PL 480 * Title II-R	Bilateral	0	20,587	0	0	20,587	0	0	0		0	0	0	20,587		0			
	Field Spt	0	0	0	0	0	0	0	0		0	0	0	0					
Total		0	20,587	0	0	20,587	0	0	0	0	0	0	0	20,587		0			
	Bilateral		0																
	Field Spt		0																
Total		0	0	0	0	0	0	0	0	0	0	0	0			0			
	Bilateral		0																
	Field Spt		0																
Total		0	0	0	0	0	0	0	0	0	0	0	0			0			
Total Bilateral		73,206	62,002	12,060	6,400	30,787	5,355	4,500	500	3,800	1,000	1,500	1,000						
Total Field Support		6,639	9,170	0	0	0	5,145	2,700	0	1,325	0	0	0						
TOTAL PROGRAM		79,845	71,172	12,060	6,400	30,787	10,500	7,200	500	5,125	1,000	1,500	1,000			154,900			

<b>FY 1998 Request Sector Totals -- DA</b>	
Econ Growth	1,800
[Of which Microenterpris	[]
HCD	12,060
PHN	24,325
Environment	1,500
[Of which Biodiversity]	[]
Democracy	1,000
Humanitarian	0

<b>FY 1998 Request Sector Totals -- ESF</b>	
Econ Growth	0
[Of which Microenterprise	[]
HCD	0
PHN	0
Environment	0
[Of which Biodiversity]	[]
Democracy	0
Humanitarian	0

FY 2001 Target Program Level 50,000  
FY 2002 Target Program Level 50,000  
FY 2003 Target Program Level 50,000

Note:  
\* - PL 480 Title II and Title III are shown under "other growth" category.  
\*\* - Years of final obligation for SOs 2,3 and 4 are subject to extension.

## V 2 Prioritization of Activities

While accepting the task of prioritizing our objectives, we need to summarize what many of our colleagues already know about USAID/Ethiopia's assistance portfolio and our SOs -- that they cannot easily or objectively be compared to each other. Under our current strategy which was initially approved in 1994 we now have:

- two SOs which have a full partnership with the government (SOs 2 and 3), undertaking long term rebuilding of social service delivery systems which are critical to the well being of the people and the longer term health and competitiveness of the society.
- one newly revised and focused SO (SO 4) which is considered critical to the U.S. is ensuring that progress continues to be made on the development of democratic institutions within government and in civil society.
- one SO (SO 1) which is critical to improving the national economic security (food security) but where there have been obstacles, not yet overcome, to reaching agreement on supporting bilateral programs.
- one SPO which focuses on NGO programs to try to move chronically vulnerable groups further out of risk. This program is a critical element in the continuum from relief to development being worked out with the government.

These objectives confront quite different challenges and have been in implementation for periods of time which vary from roughly one to four years. We do not feel comfortable ranking these SOs on a single scale, nor do we feel it is a terribly rational exercise given the extent to which our budget allocations are determined by Congressional targets. Having registered these qualifications, we will rank our SOs.

Based on a combination of current performance, overall importance to our strategy, and perceived cost/benefit we would rank SOs in the following order of priority beginning with the first SOs/activities we would reduce or terminate. In the real world the allocation of such cuts or eliminations would depend on which target areas our funding is cut in, since our OYB is now 100% targeted.

**1. SO 1 - Food Security** - following the commodity transfer and policy dialogue phase of assistance on food security (FY 92 - 96), USAID had intended to move into a phase of bilateral assistance which would directly increase production of basic food grains. This has not yet happened, and discussions about types and modalities of assistance are still going on. Although quite valuable work on marketing is going on and will continue, other elements of activities under this SO are still formative. Cutting support for the SO would remove the chance of seriously reducing Ethiopia's long term dependence on external food aid, but progress on coming to an assistance agreement has been painfully slow.

- IR 1 Increased Production and Productivity of Selected Grains: this would be the logical first cut since little has been achieved here on a bilateral basis.
- IR 2 Increased Efficiency of Grain Markets: the combination of deregulation and other policy changes, capped off by the more recent work of the MEDAC/MSU group on market analysis and information has created considerable momentum on this IR. This would be the last to be cut under this SO, and its disappearance would cut off a promising source of information about GFDRE markets for farmers, traders and policy makers alike.

**2. SO 2 - Basic Health** - This SO is tackling extremely important issues, but partnership building and implementation has been extremely slow starting. Some elements of the program are in transitional re-startup modes, others are in uncertain stages of implementation. Given that there is a strong likelihood of enhanced multi-donor support coming to this overall sector under the Health Sector Development Program (Health SIP), the unfortunate reduction or cut of USAID assistance in this sector would be less fatal than in some less well supported sectors. The programs now underway in the SNNPR would be the most hard hit from eliminating USAID support.

IRs would be reduced or eliminated in the following order:

- IR 3 Enhanced Capacity of Ethiopian Society to Expand Access and Use of STI/HIV/AIDS Services: As portrayed in the narrative for SO 2 USAID's support for AIDS prevention and response programs is in the process of being significantly expanded and enhanced. This is not yet operational, and still encounters policy ambivalence from senior government leaders. Reducing or eliminating this program would be foregoing important future results, but not eliminating anything that is ongoing.
- IR 2 Increased Access to and Demand for Modern Contraceptives in Focus Areas: Contraceptive marketing and distribution programs, relying heavily on private sector and non-governmental channels have been quite effective as part of population control and STI/HIV/AIDS programs. Eliminating these programs now would jeopardize the access of nearly a quarter of million couples to reliable, reasonably priced contraceptives.
- IR 1 Increased Resources Dedicated to the Health Sector: This is primarily driven by NPA funding which is behind policy and program conditions that are intended to enhance and direct budget resources as well as positively influence other areas of forming and operating health programs. We feel that the initiation of the Health Sector Development Program (HSDP) (Ethiopia's term for a SIP) provides a promising opportunity to link our NPA resources with common HSDP "conditionalities", and subject to consultations with the appropriate government ministries, trying to tie our NPA closer to sector budget support than its current important utilization to relieve GFDRE debt burdens.

IR 4 Increased Use of Integrated PPHC delivery in SNNPR: Slow starting, but now building momentum, support and real interest in the SNNPR. It would be a shame to waste the effort and resources that have gone into establishing this beginning.

**3. SO 3 - Basic Education** - activities under this SO have begun to have measurable and important impact at both the regional and federal levels of the education system after a slow startup. In contrast to the initial years of the activity, colleagues and educators at both levels now recognize the value of the overall assistance effort, including the need for technical assistance, pilots, enhanced experiments and changes in the way things are done -- not just more funding. It would be disappointing to lose the momentum of this activity at this point where it has the opportunity to further shape the much larger Education Sector Development Program (SIP) now being launched.

Within the SO, we would reduce funding first to those IRs listed first:

IR 4 Improved Decentralized Management and Administration of Primary Education. This IR has been difficult to build momentum on, and has been a "hard sell" with both regional and federal governments. It is important, and has high long range pay-offs, but is not as critical as the other IRs which have more direct impact for local schools and students

IR 2 Increase in Pedagogical Effectiveness of the Content and Quality of Educational Materials. This is an important activity which focuses on restructuring and improving the quality of education. The qualitative improvements would be lost or slower, but the overall program could continue without this IR.

IR 3 Improved Performance and Equity of Teacher Training. A critical element in rebuilding/reshaping the educational system is providing better and different pre-service teacher training, supplemented now by assistance and interventions in in-service training. Losing this element of the activity would seriously impair our ability to have long range impact on seriously improving primary education.

IR 5 Increased, more Rational and Efficient Sectoral Financing. This IR is primarily linked with the provision of NPA funding which is intended to ensure and reshape budgetary allocations to primary education at the federal and regional levels. The initiation of the multi-donor funded Education Sector Development Program (ESDP) (Ethiopia's term for a SIP) provides a promising opportunity to link our NPA resources with common ESDP "conditionalities" and priorities, and subject to consultations with the appropriate government ministries, trying to tie our NPA closer to sector budget support than its current important utilization to relieve GFDRE debt burdens.

IR 1 Improved Quality and Equity of the Primary School Environment. This component is driven by community grants, NGO interventions and other interventions trying to

vitalize and reshape community-school relationships. Although by itself this cannot reshape the entire primary education system, it can make a serious difference and mobilized community-school alliances will have secondary and tertiary impact on the entire system.

**4. SPO 1 - Household Food Security:** An important adjunct to emergency response capabilities to try to move 2.3 million of the most vulnerable people in Ethiopia further away from immediate risk and give them the means to weather cyclical events without falling into total poverty. Since this is primarily supported with Title II Regular commodities, cuts here are likely to be driven by different dynamics and forces than DA or CH funds.

Within SPO 1 we cannot address which IRs would be reduced or cut, since this would have to be negotiated with each of our current NGO partners. The more realistic scenario would be to cut across the board, with the partners deciding on the distribution and impact of cuts within their programs. Deeper cuts would have to lead to cuts or suspensions of selected NGO programs, assessed on the basis of which program areas need and benefit from our assistance the most.

**5. SO 4 - D/G.** Although recently restructured, progress in strengthening basic democratic institutions remains a critical basis to our overall assistance program, and is the overall U.S. Mission's primary Goal. The three IRs under this focused SO represent activities which are either strongly desired by the government or are building the right kinds of public and civil society institutions in ways the government accepts. In general these activities also have a high benefit/cost ratio. Within this SO, if funding constraints became severe, we would reduce IRs in the following order, with the consequences of these reductions noted:

- IR 2 - Judicial Systems - while this is playing a critical role in upgrading the skills of regional high court judges, and may be able to begin strengthening the institutional base of court operations from the center, it will take a long time for real impact -- to reduce court backlogs and have adequately trained judges. The impact of dropping this would be to slow the improvements in quality and efficiency of courts.
- IR 1 - Civil Society Organizations - performing an extremely valuable role in strengthening the organizational capacity and improving the operating environment for NGOs, but the government is only marginally supportive of this activity. Impact of dropping would be to cut off USAID assistance to local NGOs outside of our sectoral programs.
- IR 3 - Fiscal Federalism - probably the highest priority element of assistance under this SO from the perspective of the government. Tackling critical issues in stabilizing the operations of the federal government, and even more critical medium to long term issues in the financial relationships between the center and regions. Eliminating this would be likely to have serious repercussions for

our relations with the government.

### **V 3 Linkage with Centrally Funded Mechanisms**

**Global:** USAID/Ethiopia has had good relations with the Global Bureau and centrally funded activities since rebuilding our development program five years ago. Particularly during the development and initiation of our new assistance program both projects and individual Global staff and experts provided critical assistance. Once again our field support requests reflect the strength of this partnership, particularly in the HPN sector.

We expect that there will continue to be a narrowing in the range of Global mechanisms used within HPN, in part because of the GFDRE's desire to play a greater role in implementation. As shown in the requests this year and future year projections, however, increased allocations for contraceptive procurement and other activities is more than making up for reductions in the number of activities.

Global projects have at times been a source of considerable negotiation with government partners who are extremely concerned about the use of all assistance funds available to Ethiopia. As with bilateral grant funds, our partners here consistently raise issues of cost effectiveness, reporting accountability and transparency on Global assistance activities. We are frequently not able to either answer specific questions or respond satisfactorily on requests for routine financial information because of limitations on Global reporting on country specific costs/expenditures. We expect this to continue to be an issue in using Global and other central activities, and one which consistently leads the government to prefer free-standing, more easily monitored assistance mechanisms.

**The Leland Initiative:** Although the likelihood of being able to sign a full Memorandum of Understanding under the Leland Initiative in Ethiopia is still unclear because of restrictions on private sector involvement in telecommunications, SO 3 of this Initiative has already had considerable impact in raising awareness of and providing hands-on training in effective use of the Internet to many of our partners. We will continue to explore the use of this and other similarly valuable resources to enhance the ability of our partners -- public sector, private sector and NGO -- to make use of the increasing arsenal of communications and information technologies to empower themselves and their constituencies.

**PL 480 Resources & BHR:** Built on the foundation of a USAID operating unit which was solely responsible for BHR and OFDA resources for the period from 1984 to 1991, USAID/Ethiopia has since 1992 continued to work closely and constructively with BHR and the resources they provide or facilitate. We have been fortunate in the past several years that the situation in Ethiopia has improved enough and the weather cooperated, so that OFDA emergency assistance resources have not been called on.

**Title III :** The PL 480 Title III, Food for Development program has been a critical and significant element of the USAID/Ethiopia program since 1992. During the years FY 92 to FY 98, about \$181 million in Title III commodities have been provided to Ethiopia linked to fundamental changes in policy areas which have contributed to liberalizing key aspects of the



agricultural inputs, output marketing and distribution systems. During the initial years of the program when large food shortages were consistent, and the levels of Title III resources were large and relatively reliable, considerable influence was possible under this program. Recent years have seen a sharp drop in the overall level of resources, more uncertainty as to the final levels which can actually be made available, and a less desperate food supply situation. The combination of these factors has made Title III a less valuable tool within the Mission's resource arsenal, and raised questions about its future utility. Based on our experience in using the Title III program as a serious tool to positively influence relevant government policies, we feel we need a reliable annual level of at least \$10 million to engage in an effective dialogue.

Since FY92 Title III has been valuable because of its magnitude and relative predictability, but also because of its flexibility. The government has at various times used the commodities from Title III to assist in development programs, to replenish the Food Security Reserves when these have been depleted, and to support other emergency related programs.

**Title II Regular:** Title II Regular commodities, monetization proceeds and associated cash grants have been a critical part of the program in Ethiopia since 1994. During these years the average level of \$20 million or more per year under this program from all of its spigots has supported an extremely constructive program by a partner's group of local and international NGOS which has been successful in moving families in chronically vulnerable areas up the poverty curve and further away from the edge of destitution and despair. The reliable resource base this program has provided has also allowed USAID and its partner organizations to move with, at times ahead of, the GFDRE's policy priority of moving assistance from relief to development; and shifting the direct distribution of resources from give away programs to payment for constructive, asset increasing activities.

Title II delegation of authority. Our mission has been able to enjoy the benefits for two years of field based reviews of DAPs and PAAs. This dual process of delegating authority to field staff and backing this up with TDYs from high level BHR staff has worked well and has made the entire process of program reviews more efficient and pragmatic. This process should be expanded to other missions where the field staffing and conditions permit. New proposals being discussed this year for further delegations of authority are developmentally valid, but the additional delegation carries with it serious workload implications and resource requirements that this Mission must seriously consider in relation to the amount of authority we are really delegated.

Our partnership with our Title II partners is based on an honest relationship with USAID and among the NGOs that promotes cooperation, sharing of resources and staff, and the evolution of a healthier relation with local and federal government authorities. Over the past seven years we have moved from working with only international NGOs to a mixed partner group of 2 indigenous and 5 international groups. One international group - CRS - implements exclusively through local partner groups, and two other international NGOs (Save the Children/U.S. and Food for the Hungary International) either have or are in the process of

joining with local NGOs as co-implementors.

In the current environment of Ethiopia, serious reductions or the elimination of Title II regular resources would seriously harm our program and our relations with the government. This would also translate directly into the withdrawal of benefits for large groups of vulnerable beneficiaries that would not easily be replaced.

**Title II Emergency:** These resources have unfortunately been an important part of the resource flows coming to Ethiopia since the resumption of humanitarian assistance in FY83. During several years of good rains and record harvests preceding 1997, these resources were not required. USAID and other donors continued working with the Disaster Preparedness and Prevention Commission (DPPC) of the Government of Ethiopia during the good years to increase their own and their regional counterpart office's capacity to predict, respond to and manage emergency situations. Toward this end USAID/E provided limited DA funded assistance to the DPPC in FY96 to strengthen its early warning capabilities. This was followed in FY97 with a larger, multi-year DA funded assistance activity -- Strengthening Emergency Response Abilities (SERA) -- to increase DPPC's capabilities, support the preparation of vulnerability assessments for some of the worst areas of the country, as well as support action research on causes of vulnerability.

Based on these efforts and our assessment of the capabilities of DPPC, when the food situation deteriorated to a point which justified emergency assistance in 1997, USAID/E requested that an initial shipment of 25,000 MT of Title II Emergency grain be consigned to the DPPC, not our traditional NGO partners, for distribution to the most needy areas through the local DPP units and community organizations. This initial allocation of food was provided, and the distribution of the equivalent grain released from government emergency stocks was carefully monitored. Based on the success of this effort, an additional allocation of 75, 000 MT (\$25 Million) in Title II Emergency grain provided to the GFDRE in December 1997 was also consigned to the DPPC. The handling and distribution of this grain will also be closely monitored and continued assistance will be provided to the DPPC on improving the targeting of emergency assistance.

This year's erratic and unusual rainfall makes it difficult to predict how crops will come out, but we would expect to continue working closely with the DPPC in responding to future emergency situations.



# GLOBAL FIELD SUPPORT

Objective Name	Field Support: Activity Title & Number		Estimated Funding (\$000)					
			F Y 1 9 9 8		F Y 1 9 9 9		F Y 2 0 0 0	
			Obligated by:		Obligated by:		Obligated by:	
			Operating Unit	Global Bureau	Operating Unit	Global Bureau	Operating Unit	Global Bureau
S.O.2: Increased use of PPHC	936-3062 PATHFINDER	HIGH	0	1500	0	0	0	0
S.O.2: Increased use of PPHC	936-3079 FHI	HIGH	0	250	0	350	0	300
S.O.2: Increased use of PPHC	936-3052 PCS	HIGH	0	0	0	300	0	300
S.O.2: Increased use of PPHC	936-3046 POLICY	HIGH	0	0	0	250	0	250
S.O.2: Increased use of PPHC	936-3038 FPLM-JSI/CDC	HIGH	0	0	0	200	0	200
S.O.2: Increased use of PPHC	936-3057 Contraceptive Procurment	HIGH	0	4500	0	3435	0	3500
S.O.2: Increased use of PPHC	TAACS	HIGH	0	300	0	300	0	300
S.O.2: Increased use of PPHC	936-3070 WC Fellows	HIGH	0	500	0	500	0	300
S.O.2: Increased use of PPHC	POLIO	HIGH	0	2000	0	500	0	0
S.O.2: Increased use of PPHC	Global AIDS Mechanism	HIGH	0	120	0	200	0	300
<b>GRAND TOTAL.....</b>			<b>0</b>	<b>9170</b>	<b>0</b>	<b>6035</b>	<b>0</b>	<b>5450</b>

## **V 4 Work Force and Operating Expenses**

Work Force -- Narrative, Tables WF-21663.WK4, BS-21663.WK4 (pages 19-23)

Operating Expense -- Narrative, Tables OE-21663.WK4 (pages 25-28), FN-21663.WK4 (pages 29), CO-21663.WK4 (pages 30-33)

## **V 4 Explanations of Changes in USAID/Ethiopia's Workforce**

Note: No narrative was requested for this table, but recent communications with AFR/W have indicated that any significant changes in requested staffing levels will trigger reviews and requests for justifications. We would like to provide the following justifications in advance of their being requested since we have used these internally to decide on staffing changes.

**SO 1:** The SOT will need one more professional FSN in FY 98 for the increased work load of design and consultation with the federal and regional governments on a new bilateral assistance activity. A second additional professional FSN will be required starting in FY 99 to handle additional implementation responsibilities once the food security/agriculture production component of the SO comes on line. Both additional FSNs would be program funded. Current professional staff levels are not adequate to cover this additional work.

**SO 2:** Our health office will require an off-shore USPSC to augment technical and managerial capacity across the range of our four IRs. This person will also be primarily responsible for all GHAI related regional issues, and will manage our crosscutting program in infectious diseases we are developing, as well as be responsible for leveraging our regional program impact to the national level. Finally, this USPSC will be responsible for dealing with all the support our HPN Office is now increasingly being asked to give (and can't) to strengthen our SPO team's management of cooperating sponsor health activities, as well as to our SO-4 team and working with health NGOs in our civil society strengthening activity with Pact.

**SO 4:** One Senior FSN. There has never been FSN staff on the core D/G team and this perspective and cultural understanding has been a serious missing element. During the redesign a new element, "In-house sectoral approach" was introduced as part of IR 3 on civil society. This new approach will involve engaging each SO in a collaborative process to identify areas where other SOs are working with civil society organizations, areas where the growth of such groups can be promoted, and methods of monitoring and reporting on these developments. An additional staff person will be needed to help manage this considerable workload and to provide the team and the Mission with a full time senior FSN in this activity.

**SPO 1:** The Food and Humanitarian Office requires an additional full time FSN food monitor position. The position would better ensure monitoring coverage of the \$ 21 million Title II program implemented by seven NGOs operating all over the country. Presently, the FHA Office includes one food monitor out of a staff of 5.

A primary responsibility of a food monitor is to travel to project sites and review adherence to rules and regulations of food assisted projects implemented by Title II partners. These site visits should be thorough and timely. The food monitor is expected to assess the effectiveness of the food assistance as well as verify that it is targeted appropriately and non-compliance or misuse of commodities must be documented. Given the large area within which the Title II programs are implemented, another monitor is required. Should AFRICARE's DAP be accepted, it's project area will be completely to the west of Ethiopia. SAVE/US is already implementing it's

program in the extreme South of the country, and both REST and WV/I have activities in the North. In addition to these Title II activities, FHA is expected to have monitoring oversight over World Food Program's activities which include refugee feeding activities. Based on our one existing food monitor's travel schedule, it is quite apparent that the coverage for the existing seven NGOs' programs requires relief if USAID is going to be able to meet its oversight responsibilities and be held accountable for the program.

**Contracts:** We expect that our procurement workload will increase for our SOs, especially health and education, as regional incentive funds take effect and program implementation accelerates. We need an FSN procurement and logistics professional who will work with Ministries and Regions to ensure procurements are smooth and don't encounter delays. This position will also be used to work with our partners and strengthen/monitor their procurement operations, allowing us to transfer procurement to the hands of our GFDRE counterparts. This position will assist in the increasing workload our Contracts staff have in covering Eritrea.

**EXO:** We are requesting one IDI for FY 99. We have expanded responsibilities with the addition of EXO backstopping and training for Eritrea. We also have a diverse program and excellent possibilities of mentoring at this Post which will be very beneficial to an IDI. This IDI would not be another body in the shop to do the tasks of a USDH ...but would rather serve as an extension of our EXO USDH (and staff) to provide more quality and depth to the expanded set of responsibilities we now face.

**OFM:** One new FSN voucher examiner to handle expanded workload with MACS and responsibility for managing financial accounts of Eritrea and Djibouti.

Tables WF-21663.WK4 (pages \_\_\_\_), BS-21663.WK4 (page \_\_) = total 5 pages



Workforce

Org. USAID/Ethiopia FY 1998 On-Board Estimate	SO/SpO Staff							Total SO/SpO Staff	Management Staff						Total Mgmt.	Grand Total Staff
	SO 1	SO 2	SO 3	SO 4	SpO 1	SpO 2	SpO 3		Org. Mgmt.	Con- troller	AMS/ EXO	Con- tract	Legal	All Other		
U.S. Direct Hire	1.5	1	1	0	1.5			5	4	1	1	1	0	0	7	12
Other U.S. Citizens: 1/ OE Internationally Recruited	0	0	0	0	0			0	0	0	0	0	0	0	0	0
OE Locally Recruited	0	0	0	0	0			0	0	0	0	0	0	0	0	0
Program	1	1	0	2	0			4	0	0	0	0	0	0	0	4
FSN/TCN Direct Hire: OE Internationally Recruited	0	0	0	0	0			0	0	0	0	0	0	0	0	0
OE Locally Recruited	0	0	0	0	0			0	1	1	0	0	0	0	2	2
FSN/TCN Non-Direct Hire: OE Internationally Recruited	0	0	0	0	0			0	0	0	0	0	0	0	0	0
OE Locally Recruited	1	1	2	0	2			6	5	12	39	4	0	46	106	112
Program	3	2	2	2	3			12	0	0	1	0	0	0	1	13
Total Staff Levels	6.5	5	5	4	6.5			27	10	14	41	5	0	46	116	143
TAACS	0	1	0	0	0			1	0	0	0	0	0	0	0	1
Fellows	0	1	0	0	0			1	0	0	0	0	0	0	0	1

1/ Excluding TAACS and Fellows

Workforce

Org. USAID/Ethiopia FY 1999 Target On-Board Estimate	SO/SpO Staff						Total SO/SpO Staff	Management Staff						Total Mgmt.	Grand Total Staff
	SO 1	SO 2	SO 3	SO 4	SpO 1	SpO 2	SpO 3	Org. Mgmt.	Con- troller	AMS/ EXO	Con- tract	Legal	All Other		
U.S. Direct Hire	1.5	1	1	0	1.5		5	4	1	1	1	0		7	12
Other U.S. Citizens: 1/ OE Internationally Recruited	0	0	0	0	0		0	0	0	0	0	0		0	0
OE Locally Recruited	0	0	0	0	0		0	0	0	0	0	0		0	0
Program	1	1	0	2	0		4	0	0	0	0	0		0	4
FSN/TCN Direct Hire: OE Internationally Recruited	0	0	0	0	0		0	0	0	0	0	0		0	0
OE Locally Recruited	0	0	0	0	0		0	1	1	0	0	0		2	2
FSN/TCN Non-Direct Hire: OE Internationally Recruited	0	0	0	0	0		0	0	0	0	0	0		0	0
OE Locally Recruited	1	1	2	0	2		6	5	12	39	4	0	46	106	112
Program	4	2	2	2	3		13	0	0	1	0	0		1	14
Total Staff Levels	7.5	5	5	4	6.5	0	28	10	14	41	5	0	46	116	144
TAACS	0	1	0	0	0		1		0	0	0	0	0	0	1
Fellows	0	1	0	0	0		1		0	0	0	0	0	0	1

1/ Excluding TAACS and Fellows

Org. USAID/Ethiopia FY 1999 Request On-Board Estimate	SO/SpO Staff						Total SO/SpO Staff	Management Staff						Total Mgmt.	Grand Total Staff
	SO 1	SO 2	SO 3	SO 4	SpO 1	SpO 2	SpO 3	Org. Mgmt.	Con- troller	AMS/ EXO	Con- tract	Legal	All Other		
U.S. Direct Hire	1.5	1	1	0	1.5		5	4	1	1	1	0	0	7	12
Other U.S. Citizens: 1/ OE Internationally Recruited	0	0	0	0	0		0	0	0	0	0	0	0	0	0
OE Locally Recruited	0	0	0	0	0		0	0	0	0	0	0	0	0	0
Program	1	1	0	2	0		4	0	0	0	0	0	0	0	4
FSN/TCN Direct Hire: OE Internationally Recruited	0	0	0	0	0		0	0	0	0	0	0	0	0	0
OE Locally Recruited	0	0	0	0	0		0	1	1	0	0	0	0	2	2
FSN/TCN Non-Direct Hire: OE Internationally Recruited	0	0	0	0	0		0	0	0	0	0	0	0	0	0
OE Locally Recruited	1	1	2	0	2		6	5	12	40	4	0	0	61	67
Program	4	2	2	2	3		13	0	0	0	0	0	46	46	59
Total Staff Levels	7.5	5	5	4	6.5	0	28	10	14	41	5	0	46	116	144
TAACS	0	1	0	0	0		1	0	0	0	0	0	0	0	1
Fellows	0	1	0	0	0		1	0	0	0	0	0	0	0	1

1/ Excluding TAACS and Fellows

Workforce

Org. USAID/Ethiopia FY 2000 Target On-Board Estimate	SO/SpO Staff							Total SO/SpO Staff	Management Staff						Total Mgmt.	Grand Total Staff
	SO 1	SO 2	SO 3	SO 4	SpO 1	SpO 2	SpO 3		Org. Mgmt.	Con- troller	AMS/ EXO	Con- tract	Legal	All Other		
U.S. Direct Hire	1.5	1	1	0	1.5			5	4	1	1	1	0	0	7	12
Other U.S. Citizens: 1/ OE Internationally Recruited	0	0	0	0	0			0	0	0	0	0	0	0	0	0
OE Locally Recruited	0	0	0	0	0			0	0	0	0	0	0	0	0	0
Program	1	1	0	2	0			4	0	0	0	0	0	0	0	4
FSN/TCN Direct Hire: OE Internationally Recruited	0	0	0	0	0			0	0	0	0	0	0	0	0	0
OE Locally Recruited	0	0	0	0	0			0	1	1	0	0	0	0	2	2
FSN/TCN Non-Direct Hire: OE Internationally Recruited	0	0	0	0	0			0	0	0	0	0	0	0	0	0
OE Locally Recruited	1	1	2	0	2			6	5	12	39	4	0	46	106	112
Program	4	2	2	2	3			13	0	0	1	0	0	0	1	14
Total Staff Levels	7.5	5	5	4	6.5	0	0	28	10	14	41	5	0	46	116	144
TAACS	0	1	0	0	0			1							0	1
Fellows	0	1	0	0	0			1							0	1

1/ Excluding TAACS and Fellows

Org. USAID/Ethiopia FY 2000 Request On-Board Estimate	SO/SpO Staff							Total SO/SpO Staff	Management Staff						Total Mgmt.	Grand Total Staff
	SO 1	SO 2	SO 3	SO 4	SpO 1	SpO 2	SpO 3		Org. Mgmt.	Con- troller	AMS/ EXO	Con- tract	Legal	All Other		
U.S. Direct Hire	1.5	1	1	0	1.5			5	4	1	1	1	0	0	7	12
Other U.S. Citizens: 1/ OE Internationally Recruited	0	0	0	0	0			0	0	0	0	0	0	0	0	0
OE Locally Recruited	0	0	0	0	0			0	0	0	0	0	0	0	0	0
Program	1	1	0	2	0			4	0	0	0	0	0	0	0	4
FSN/TCN Direct Hire: OE Internationally Recruited	0	0	0	0	0			0	0	0	0	0	0	0	0	0
OE Locally Recruited	0	0	0	0	0			0	1	1	0	0	0	0	2	2
FSN/TCN Non-Direct Hire: OE Internationally Recruited	0	0	0	0	0			0	0	0	0	0	0	0	0	0
OE Locally Recruited	1	1	2	0	2			6	5	12	39	4	0	46	106	112
Program	4	2	2	2	3			13	0	0	1	0	0	0	1	14
Total Staff Levels	7.5	5	5	4	6.5	0	0	28	10	14	41	5	0	46	116	144
TAACS	0	1	0	0	0			1	0	0	0	0	0	0	0	1
Fellows	0	1	0	0	0			1	0	0	0	0	0	0	0	1

1/ Excluding TAACS and Fellows

Workforce

Org. USAID/Ethiopia FY 2001 On-Board Estimate	SO/SpO Staff							Total SO/SpO Staff	Management Staff						Total Mgmt.	Grand Total Staff
	SO 1	SO 2	SO 3	SO 4	SpO 1	SpO 2	SpO 3		Org. Mgmt.	Con- troller	AMS/ EXO	Con- tract	Legal	All Other		
U.S. Direct Hire	1.5	1	1	0	1.5			5	4	1	1	1	0	0	7	12
Other U.S. Citizens: 1/ OE Internationally Recruited	0	0	0	0	0			0	0	0	0	0	0	0	0	0
OE Locally Recruited	0	0	0	0	0			0	0	0	0	0	0	0	0	0
Program	1	1	0	2	0			4	0	0	0	0	0	0	0	4
FSN/TCN Direct Hire: OE Internationally Recruited	0	0	0	0	0			0	0	0	0	0	0	0	0	0
OE Locally Recruited	0	0	0	0	0			0	1	1	0	0	0	0	2	2
FSN/TCN Non-Direct Hire: OE Internationally Recruited	0	0	0	0	0			0	0	0	0	0	0	0	0	0
OE Locally Recruited	1	1	2	0	2			6	5	12	39	4	0	46	106	112
Program	4	2	2	2	3			13	0	0	1	0	0	0	1	14
Total Staff Levels	7.5	5	5	4	6.5	0	0	28	10	14	41	5	0	46	116	144
TAACS	0	1	0	0	0			1	0	0	0	0	0	0	0	1
Fellows	0	1	0	0	0			1	0	0	0	0	0	0	0	1

1/ Excluding TAACS and Fellows

Org. USAID/Ethiopia Summary On-Board Estimate	SO/SpO Staff							Total SO/SpO Staff	Management Staff						Total Mgmt.	Grand Total Staff
	SO 1	SO 2	SO 3	SO 4	SpO 1	SpO 2	SpO 3		Org. Mgmt.	Con- troller	AMS/ EXO	Con- tract	Legal	All Other		
FY 1998:																
U.S. Direct Hire	1.5	1	1	0	1.5	0	0	5	4	1	1	1	0	0	7	12
OE Internationally Recr	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OE Locally Recruited	1	1	2	0	2	0	0	6	6	13	39	4	0	46	108	114
Total OE Funded Staf	2.5	2	3	0	3.5	0	0	11	10	14	40	5	0	46	115	126
Program Funded	4	3	2	4	3	0	0	16	0	0	1	0	0	0	1	17
Total FY 1998	6.5	5	5	4	6.5	0	0	27	10	14	41	5	0	46	116	143

FY 1999 Target:																
U.S. Direct Hire	1.5	1	1	0	1.5	0	0	5	4	1	1	1	0	0	7	12
OE Internationally Recr	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OE Locally Recruited	1	1	2	0	2	0	0	6	6	13	39	4	0	46	108	114
Total OE Funded Staf	2.5	2	3	0	3.5	0	0	11	10	14	40	5	0	46	115	126
Program Funded	5	3	2	4	3	0	0	17	0	0	1	0	0	0	1	18
Total FY 1999 Target	7.5	5	5	4	6.5	0	0	28	10	14	41	5	0	46	116	144

FY 1999 Request:																
U.S. Direct Hire	1.5	1	1	0	1.5	0	0	5	4	1	1	1	0	0	7	12
OE Internationally Recr	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OE Locally Recruited	1	1	2	0	2	0	0	6	6	13	40	4	0	0	63	69
Total OE Funded Staf	2.5	2	3	0	3.5	0	0	11	10	14	41	5	0	0	70	81
Program Funded	5	3	2	4	3	0	0	17	0	0	0	0	0	46	46	63
Total FY 1999 Request	7.5	5	5	4	6.5	0	0	28	10	14	41	5	0	46	116	144

FY 2000 Target:																
U.S. Direct Hire	1.5	1	1	0	1.5	0	0	5	4	1	1	1	0	0	7	12
OE Internationally Recr	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OE Locally Recruited	1	1	2	0	2	0	0	6	6	13	39	4	0	46	108	114
Total OE Funded Staf	2.5	2	3	0	3.5	0	0	11	10	14	40	5	0	46	115	126
Program Funded	5	3	2	4	3	0	0	17	0	0	1	0	0	0	1	18
Total FY 2000 Target	7.5	5	5	4	6.5	0	0	28	10	14	41	5	0	46	116	144

Workforce

FY 2000 Request:																	
U.S. Direct Hire	1.5	1	1	0	1.5	0	0	5	4	1	1	1	0	0	7	12	
OE Internationally Recr	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
OE Locally Recruited	1	1	2	0	2	0	0	6	6	13	39	4	0	46	108	114	
Total OE Funded Staf	2.5	2	3	0	3.5	0	0	11	10	14	40	5	0	46	115	126	
Program Funded	5	3	2	4	3	0	0	17	0	0	1	0	0	0	1	18	
Total FY 2000 Request	7.5	5	5	4	6.5	0	0	28	10	14	41	5	0	46	116	144	

FY 2001 Estimate:																	
U.S. Direct Hire	1.5	1	1	0	1.5	0	0	5	4	1	1	1	0	0	7	12	
OE Internationally Recr	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
OE Locally Recruited	1	1	2	0	2	0	0	6	6	13	39	4	0	46	108	114	
Total OE Funded Staf	2.5	2	3	0	3.5	0	0	11	10	14	40	5	0	46	115	126	
Program Funded	5	3	2	4	3	0	0	17	0	0	1	0	0	0	1	18	
Total FY 2000 Target	7.5	5	5	4	6.5	0	0	28	10	14	41	5	0	46	116	144	

MISSION : USAID/Ethiopia

USDH STAFFING REQUIREMENTS BY SKILL CODE

BACKSTOP (BS)	NO. OF USDH EMPLOYEES IN BACKSTOP FY 98	NO. OF USDH EMPLOYEES IN BACKSTOP FY 99	NO. OF USDH EMPLOYEES IN BACKSTOP FY 2000	NO. OF USDH EMPLOYEES IN BACKSTOP FY 2001
01SMG	2	2	2	2
02 Program Off.	1	1	1	1
03 EXO	1	1	1	1
04 Controller	1	1	1	1
05/06/07 Secretary	0	0	0	0
10 Agriculture.	2	2	2	2
11Economics				
12 GDO	1	1	1	1
12 Democracy				
14 Rural Dev.				
15 Food for Peace	1	1	1	1
21 Private Ent.				
25 Engineering				
40 Environ				
50 Health/Pop.	1	1	1	1
60 Education				
75 Physical Sci.				
85 Legal				
92 Commodity Mgt				
93 Contract Mgt	1	1	1	1
94 PDO	1	1	1	1
95 IDI	1	1	1	1
Other*				
<b>TOTAL</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>

\*please list occupations covered by other if there are any

## **V 4    Operating Expense Budget Narrative**

The OE budgets submitted herein have been straight-lined for fiscal years 98, 99, and 2000 with the exception of trust fund levels in the out years which reflect the gradual decline in available trust fund resources as our trust fund agreement comes to an end. The Mission has made allowances for the assignment of one IDI in FY '99 and has adjusted it's FY '98 budget to provide for the unexpected departure form post of a previously assigned IDI. Current levels will allow the Mission to maintain it's present USDH staffing of twelve plus one IDI. Unpredictable USDH demographics makes it impossible to predict with certainty our ability to fully support projected USDH levels with straight-lined finances, but we are reasonably confident that our available resources will be able to meet these needs.

Allowances for FSN staffing assume an essentially steady level for OE-funded personnel with modest allowances for adjustments to the local compensation plan (roughly 10 percent in FY '99 and five percent in FY 2000). Significant changes in the local compensation plan could impact our ability to maintain the OE straight-line.

On an annual basis, the Mission accrues FSN Separation Trust Fund liabilities and has so far fully funded these through the end of FY 1997. For FY '98 and subsequent years, an annual liability of approximately \$22K has been budgeted, and barring unanticipated and large increases in the local compensation plan, these liabilities will be fully covered at existing budgetary levels.

The Mission has been aggressive in upgrading it's ADP inventory and capacities in the past two years and as a result has already addressed internal Year 2000 ("Y2K") issues satisfactorily. The Mission is not operating any hardware or utilizing any software that is not Y2K compliant--though questions may still exist about MACS or other AID/W-based software applications. The Mission has also received confirmation that the internal telephone system currently in use is Y2K compliant. No other Mission systems are believed to be vulnerable to Y2K-related glitches. We manage our overall NXP resources very conservatively, placing emphasis on refurbishment over replacement where possible and don't foresee any extraordinary needs in this regard.

One major variable that the Mission is struggling to control is ICASS. Post ICASS costs have accelerated in the two years since the system was started and unless this trend is reversed, we will be forced to re-consider our participation in many non-mandatory ICASS services. The post ICASS service provider has not yet bought into more innovative service possibilities the ICASS system could offer (such as reducing expensive USDH in administrative roles, replacing them with FSN staff, and/or contracting out those services which could be done at acceptable levels of quality and more cost effectively) and it seems unlikely that we will realize any cost economies as long as that is the case. While decisions in regard to our ICASS service levels could have an impact on staffing levels (mainly because of the increased management burden of contracting and monitoring our own services) the net impact will be a reduction in ICASS service-related costs.

**Operating Expense -- Tables OE-21663.WK4 (pages 26-29), FN-21663.WK4 (page 30), CO-21663.WK4 (pages 31-34) -- total = 9 pages**

Org. Title:	Ethiopa	Overseas Mission Budgets											
Org. No:	663	FY 1998			FY 1999 Target			FY 1999 Request			FY 2000 Target		
OC		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
Org. Title:	Ethiopa	Overseas Mission Budgets											
Org. No:	663	FY 1998			FY 1999 Target			FY 1999 Request			FY 2000 Target		
OC		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total



Org. Title:		Overseas Mission Budgets														
Ethiopia																
Org. No: 663																
OC		FY 1998			FY 1999 Target			FY 1999 Request			FY 2000 Target			FY 2000 Request		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
11.1	Personnel compensation, full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.1	Base Pay & pymt. for annual leave balances - FNDH	10.3		10.3	11.3		11.3	11.3		11.3	12.4		12.4	12.4		12.4
	Subtotal OC 11.1	10.3	0	10.3	11.3	0	11.3	11.3	0	11.3	12.4	0	12.4	12.4	0	12.4
11.3	Personnel comp. - other than full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.3	Base Pay & pymt. for annual leave balances - FNDH			0			0			0			0			0
	Subtotal OC 11.3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11.5	Other personnel compensation	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.5	USDH			0			0			0			0			0
11.5	FNDH	2.5		2.5	2.8		2.8	2.8		2.8	3.1		3.1	3.1		3.1
	Subtotal OC 11.5	2.5	0	2.5	2.8	0	2.8	2.8	0	2.8	3.1	0	3.1	3.1	0	3.1
11.8	Special personal services payments	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.8	USPSC Salaries	5.5		5.5	5.5		5.5	5.5		5.5	5.5		5.5	5.5		5.5
11.8	FN PSC Salaries	264.0	83.0	347.0	342.7	35.1	377.8	342.7	35.1	377.8	355.6	41.1	396.7	355.6	41.1	396.7
11.8	IPA/Details-In/PASAs/RSSAs Salaries			0			0			0			0			0
	Subtotal OC 11.8	269.5	83	352.5	348.2	35.1	383.3	348.2	35.1	383.3	361.1	41.1	402.2	361.1	41.1	402.2
12.1	Personnel benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	USDH benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	Educational Allowances	216.9		216.9	224.9		224.9	224.9		224.9	242.6		242.6	242.6		242.6
12.1	Cost of Living Allowances			0			0			0			0			0
12.1	Home Service Transfer Allowances			0			0			0			0			0
12.1	Quarters Allowances			0			0			0			0			0
12.1	Other Misc. USDH Benefits	14.1		14.1	20.8		20.8	20.8		20.8	11.7		11.7	11.7		11.7
12.1	FNDH Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	Payments to the FSN Separation Fund - FNDH	1.2		1.2	1.3		1.3	1.3		1.3	1.5		1.5	1.5		1.5
12.1	Other FNDH Benefits	1.6		1.6	1.8		1.8	1.8		1.8	1.9		1.9	1.9		1.9
12.1	US PSC Benefits			0			0			0			0			0
12.1	FN PSC Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	Payments to the FSN Separation Fund - FN PSC	20.0		20.0	22.0		22.0	22.0		22.0	23.1		23.1	23.1		23.1
12.1	Other FN PSC Benefits	42.8		42.8	46.3		46.3	46.3		46.3	48.3		48.3	48.3		48.3
12.1	IPA/Detail-In/PASA/RSSA Benefits			0			0			0			0			0
	Subtotal OC 12.1	296.6	0	296.6	317.1	0	317.1	317.1	0	317.1	329.1	0	329.1	329.1	0	329.1
13	Benefits for former personnel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13	FNDH	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13	Severance Payments for FNDH			0			0			0			0			0
13	Other Benefits for Former Personnel - FNDH			0			0			0			0			0
13	FN PSCs	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13	Severance Payments for FN PSCs			0			0			0			0			0
13	Other Benefits for Former Personnel - FN PSCs			0			0			0			0			0
	Subtotal OC 13.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	Travel and transportation of persons	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21	Training Travel	102.5		102.5	100.0		100.0	100.0		100.0	100.0		100.0	100.0		100.0
21	Mandatory/Statutory Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21	Post Assignment Travel - to field	31.1		31.1	62.1		62.1	62.1		62.1	11.4		11.4	11.4		11.4

Org. Title:		Overseas Mission Budgets														
Org. No:		Ethiopia 663														
OC		FY 1998			FY 1999 Target			FY 1999 Request			FY 2000 Target			FY 2000 Request		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
21	Assignment to Washington Travel	4.0		4.0	0		0	0		0	0		0	0		0
21	Home Leave Travel	43.2		43.2	44.2		44.2	44.2		44.2	70.7		70.7	70.7		70.7
21	R & R Travel	34.3		34.3	48.3		48.3	48.3		48.3	55.6		55.6	55.6		55.6
21	Education Travel			0			0			0			0			0
21	Evacuation Travel	17.0		17.0	17.9		17.9	17.9		17.9	18.7		18.7	18.7		18.7
21	Retirement Travel	6.0		6.0	0		0	0		0	0		0	0		0
21	Pre-Employment Invitational Travel			0			0			0			0			0
21	Other Mandatory/Statutory Travel			0			0			0			0			0
21	Operational Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21	Site Visits - Headquarters Personnel	75.0		75.0	42.0		42.0	42.0		42.0	44.0		44.0	44.0		44.0
21	Site Visits - Mission Personnel	21.0		21.0	21.0		21.0	21.0		21.0	21.0		21.0	21.0		21.0
21	Conferences/Seminars/Meetings/Retreats	30.5		30.5	30.5		30.5	30.5		30.5	30.5		30.5	30.5		30.5
21	Assessment Travel			0			0			0			0			0
21	Impact Evaluation Travel			0			0			0			0			0
21	Disaster Travel (to respond to specific disasters)			0			0			0			0			0
21	Recruitment Travel			0			0			0			0			0
21	Other Operational Travel	40.0		40.0	27.3		27.3	27.3		27.3	27.3		27.3	27.3		27.3
	Subtotal OC 21.0	404.6	0	404.6	393.3	0	393.3	393.3	0	393.3	379.2	0	379.2	379.2	0	379.2
22	Transportation of things	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
22	Post assignment freight	104.2		104.2	176.4		176.4	176.4		176.4	64.8		64.8	64.8		64.8
22	Home Leave Freight	36.0		36.0	29.8		29.8	29.8		29.8	55.1		55.1	55.1		55.1
22	Retirement Freight	19.0		19.0	0		0	0		0	0		0	0		0
22	Transportation/Freight for Office Furniture/Equip.	51.2		51.2	56.3		56.3	56.3		56.3	61.9		61.9	61.9		61.9
22	Transportation/Freight for Res. Furniture/Equip.	26.4		26.4	16.8		16.8	16.8		16.8	18.6		18.6	18.6		18.6
	Subtotal OC 22.0	236.8	0	236.8	279.3	0	279.3	279.3	0	279.3	200.4	0	200.4	200.4	0	200.4
23.2	Rental payments to others	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.2	Rental Payments to Others - Office Space	0	190.3	190.3	0	190.3	190.3	0	190.3	190.3	0	190.3	190.3	0	190.3	190.3
23.2	Rental Payments to Others - Warehouse Space	0	31.7	31.7	0	34.6	34.6	0	34.6	34.6	0	34.6	34.6	0	34.6	34.6
23.2	Rental Payments to Others - Residences	288.0		288.0	243.5		243.5	243.5		243.5	243.5		243.5	243.5		243.5
	Subtotal OC 23.2	288.0	222.0	510.0	243.5	224.9	468.4	243.5	224.9	468.4	243.5	224.9	468.4	243.5	224.9	468.4
23.3	Communications, utilities, and miscellaneous charges	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.3	Office Utilities	9.4		9.4	10.3		10.3	10.3		10.3	11.3		11.3	11.3		11.3
23.3	Residential Utilities	27.7		27.7	26.5		26.5	26.5		26.5	27.7		27.7	27.7		27.7
23.3	Telephone Costs	69.7		69.7	76.8		76.8	76.8		76.8	84.6		84.6	84.6		84.6
23.3	ADP Software Leases			0			0			0			0			0
23.3	ADP Hardware Lease			0			0			0			0			0
23.3	Commercial Time Sharing			0			0			0			0			0
23.3	Postal Fees (Other than APO Mail)			0			0			0			0			0
23.3	Other Mail Service Costs			0			0			0			0			0
23.3	Courier Services	3.2		3.2	3.4		3.4	3.4		3.4	3.6		3.6	3.6		3.6
	Subtotal OC 23.3	110.0	0.0	110.0	117.0	0.0	117.0	117.0	0.0	117.0	127.2	0	127.2	127.2	0	127.2
24	Printing and Reproduction	5.2		5.2	5.7		5.7	5.7		5.7	6.3		6.3	6.3		6.3
	Subtotal OC 24.0	5.2	0	5.2	5.7	0	5.7	5.7	0	5.7	6.3	0	6.3	6.3	0	6.3
25.1	Advisory and assistance services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		

Org. Title:		Ethiopia			Overseas Mission Budgets											
Org. No:		663														
OC		FY 1998			FY 1999 Target			FY 1999 Request			FY 2000 Target			FY 2000 Request		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
25.1	Studies, Analyses, & Evaluations			0			0			0			0			0
25.1	Management & Professional Support Services			0			0			0			0			0
25.1	Engineering & Technical Services			0			0			0			0			0
	Subtotal OC 25.1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25.2	Other services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.2	Office Security Guards	49.7		49.7	54.7		54.7	54.7		54.7	60.1		60.1	60.1		60.1
25.2	Residential Security Guard Services	55.2		55.2	58.0		58.0	58.0		58.0	60.9		60.9	60.9		60.9
25.2	Official Residential Expenses			0			0			0			0			0
25.2	Representation Allowances	1.3		1.3	1.3		1.3	1.3		1.3	1.3		1.3	1.3		1.3
25.2	Non-Federal Audits			0			0			0			0			0
25.2	Grievances/Investigations			0			0			0			0			0
25.2	Insurance and Vehicle Registration Fees			0			0			0			0			0
25.2	Vehicle Rental			0			0			0			0			0
25.2	Manpower Contracts	3.0		3.0	3.0		3.0	3.0		3.0	3.0		3.0	3.0		3.0
25.2	Records Declassification & Other Records Services			0			0			0			0			0
25.2	Recruiting activities			0			0			0			0			0
25.2	Penalty Interest Payments			0			0			0			0			0
25.2	Other Miscellaneous Services	22.6		22.6	25.0		25.0	25.0		25.0	27.5		27.5	27.5		27.5
25.2	Staff training contracts	30.0		30.0	30.0		30.0	30.0		30.0	30.0		30.0	30.0		30.0
25.2	ADP related contracts			0			0			0			0			0
	Subtotal OC 25.2	161.8	0	161.8	172.0	0.0	172.0	172.0	0.0	172.0	182.8	0	182.8	182.8	0	182.8
25.3	Purchase of goods and services from Government accounts	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.3	ICASS	313.0		313.0	313.0		313.0	313.0		313.0	313.0		313.0	313.0		313.0
25.3	All Other Services from Other Gov't. accounts			0			0			0			0			0
	Subtotal OC 25.3	313	0	313	313	0	313	313	0	313	313	0	313	313	0	313
25.4	Operation and maintenance of facilities	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.4	Office building Maintenance	30.0	20.0	50.0	33.0	40.0	73.0	33.0	40.0	73.0	36.3	40.0	76.3	36.3	40.0	76.3
25.4	Residential Building Maintenance	36.4		36.4	38.2		38.2	38.2		38.2	40.2		40.2	40.2		40.2
	Subtotal OC 25.4	66.4	20.0	86.4	71.2	40.0	111.2	71.2	40.0	111.2	76.5	40.0	116.5	76.5	40.0	116.5
25.6	Medical Care			0			0			0			0			0
	Subtotal OC 25.6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25.7	Operation/maintenance of equipment & storage of goods	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.7	ADP and telephone operation and maintenance costs			0			0			0			0			0
25.7	Storage Services			0			0			0			0			0
25.7	Office Furniture/Equip. Repair and Maintenance	5.0		5.0	8.3		8.3	8.3		8.3	12.0		12.0	12.0		12.0
25.7	Vehicle Repair and Maintenance	28.2		28.2	28.2		28.2	28.2		28.2	28.2		28.2	28.2		28.2
25.7	Residential Furniture/Equip. Repair and Maintenance	9.1		9.1	9.6		9.6	9.6		9.6	10.0		10.0	10.0		10.0
	Subtotal OC 25.7	42.3	0	42.3	46.1	0	46.1	46.1	0	46.1	50.2	0	50.2	50.2	0	50.2
25.8	Subsistence and support of persons (by contract or Gov't.)			0			0			0			0			0
	Subtotal OC 25.8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26	Supplies and materials	112.6		112.6	123.9		123.9	123.9		123.9	136.3		136.3	136.3		136.3

Org. Title: Org. No: OC		Ethiopia 663 Overseas Mission Budgets														
		FY 1998			FY 1999 Target			FY 1999 Request			FY 2000 Target			FY 2000 Request		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
Subtotal OC 26.0		112.6	0	112.6	123.9	0	123.9	123.9	0	123.9	136.3	0	136.3	136.3	0	136.3
31	Equipment	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
31	Purchase of Residential Furniture/Equip.	90		90	57.3		57.3	57.3		57.3	63.4		63.4	63.4		63.4
31	Purchase of Office Furniture/Equip.	70		70	44.5		44.5	44.5		44.5	49.3		49.3	49.3		49.3
31	Purchase of Vehicles	148.4		148.4	94.5		94.5	94.5		94.5	104.5		104.5	104.5		104.5
31	Purchase of Printing/Graphics Equipment			0			0			0			0			0
31	ADP Hardware purchases	15.0		15.0	9.6		9.6	9.6		9.6	10.6		10.6	10.6		10.6
31	ADP Software purchases	20.0		20.0	12.7		12.7	12.7		12.7	14.1		14.1	14.1		14.1
Subtotal OC 31.0		343.4	0	343.4	218.6	0	218.6	218.6	0	218.6	241.9	0	241.9	241.9	0	241.9
32	Lands and structures	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
32	Purchase of Land & Buildings (& construction of bldgs.)			0			0			0			0			0
32	Purchase of fixed equipment for buildings			0			0			0			0			0
32	Building Renovations/Alterations - Office			0			0			0			0			0
32	Building Renovations/Alterations - Residential			0			0			0			0			0
Subtotal OC 32.0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
42	Claims and indemnities			0			0			0			0			0
Subtotal OC 42.0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL BUDGET		2663.0	325.0	2988.0	2663.0	300.0	2963.0	2663.0	300.0	2963.0	2663.0	306.0	2969.0	2663.0	306.0	2969.0
Dollars Used for Local Currency Purchases																
Exchange Rate Used in Computations		6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8
1 USD=6.80 BIRR																
Workyears of Effort 1/																
FNDH		2		2	2		2	2		2	2		2	2		2
FN PSCs		110.3		110.3	112		112	112		112	112		112	112		112
IPAs/Details-In				0			0			0			0			0
Manpower Contracts				0			0			0			0			0
Total Workyears		112.3	0	112.3	114	0	114	114	0	114	114	0	114	114	0	114

1/ One workyear of effort is equal to 2080 hours worked.

## TRUST FUNDS &amp; FSN SEPARATION FUND

FN-21663

Orgno: 663  
 Org. Title: USAID/Ethiopia

## Foreign National Voluntary Separation Account

Action	FY 98			FY 99			FY 00		
	OE	Program	Total	OE	Program	Total	OE	Program	Total
Deposits	20.0	7.0	27.0	22.0	8.0	30.0	23.0	9.0	32.0
Withdrawals	5.0	4.0	9.0	6.0	2.0	8.0	8.0	2.0	10.0

Unfunded Liability (if any)  
 at the end of each FY.

## Local Currency Trust Funds - Regular (\$000s)

	FY 98	FY 99	FY 00
Balance Start of Year	331.0	206.0	106.0
Obligations	325.0	300.0	306.0
Deposits	200.0	200.0	200.0
Balance End of Year	206.0	106.0	0.0

Exchange Rate(s) Used

## Trust Funds in Dollar Equivalents, not in Local Country Equivalents

## Local Currency Trust Funds - Real Property (\$000s)

	FY 97	FY 98	FY 99
Balance Start of Year		0.0	0.0
Obligations			
Deposits			
Balance End of Year	0.0	0.0	0.0

## Trust Funds in Dollar Equivalents, not in Local Country Equivalents

Cost of Controller Operations

Org. Title: USAID/ETHIOPIA			Overseas Mission Budgets														
Org. No: 663			FY 1998			FY 1999 Target			FY 1999 Request			FY 2000 Target			FY 2000 Request		
OC			Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
Org. Title: USAID/ETHIOPIA			Overseas Mission Budgets														
Org. No: 663			FY 1998			FY 1999 Target			FY 1999 Request			FY 2000 Target			FY 2000 Request		
OC			Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total

## Cost of Controller Operations

Org. Title: USAID/ETHIOPIA Org. No: 663 OC		Overseas Mission Budgets														
		FY 1998			FY 1999 Target			FY 1999 Request			FY 2000 Target			FY 2000 Request		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
11.1	Personnel compensation, full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.1	Base Pay & pymt. for annual leave balances - FNDH	5.2		5.2	5.7		5.7	5.7		5.7	6.2		6.2	6.2		6.2
	Subtotal OC 11.1	5.2	0	5.2	5.7	0	5.7	5.7	0	5.7	6.2	0	6.2	6.2	0	6.2
11.3	Personnel comp. - other than full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.3	Base Pay & pymt. for annual leave balances - FNDH			0			0			0			0			0
	Subtotal OC 11.3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11.5	Other personnel compensation	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.5	USDH			0			0			0			0			0
11.5	FNDH	1.3		1.3	1.4		1.4	1.4		1.4	1.6		1.6	1.6		1.6
	Subtotal OC 11.5	1.3	0	1.3	1.4	0	1.4	1.4	0	1.4	1.6	0	1.6	1.6	0	1.6
11.8	Special personal services payments	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.8	USPSC Salaries			0			0			0			0			0
11.8	FN PSC Salaries	68.1		68.1	74.9		74.9	74.9		74.9	82.4		82.4	82.4		82.4
11.8	IPA/Details-In/PASAs/RSSAs Salaries			0			0			0			0			0
	Subtotal OC 11.8	68.1	0	68.1	74.9	0	74.9	74.9	0	74.9	82.4	0	82.4	82.4	0	82.4
12.1	Personnel benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	USDH benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	Educational Allowances			0			0			0	22.1		22.1	22.1		22.1
12.1	Cost of Living Allowances			0			0			0			0			0
12.1	Home Service Transfer Allowances			0			0			0			0			0
12.1	Quarters Allowances			0			0			0			0			0
12.1	Other Misc. USDH Benefits			0			2.4			2.4			0			0
12.1	FNDH Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	Payments to the FSN Separation Fund - FNDH	0.6		0.6	0.7		0.7	0.7		0.7	0.8		0.8	0.8		0.8
12.1	Other FNDH Benefits	0.8		0.8	0.9		0.9	0.9		0.9	1.0		1.0	1.0		1.0
12.1	US PSC Benefits			0			0			0			0			0
12.1	FN PSC Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	Payments to the FSN Separation Fund - FN PSC	3.6		3.6	3.6		3.6	3.6		3.6	3.6		3.6	3.6		3.6
12.1	Other FN PSC Benefits	7.8		7.8	8.6		8.6	8.6		8.6	9.3		9.3	9.3		9.3
12.1	IPA/Detail-In/PASA/RSSA Benefits			0			0			0			0			0
	Subtotal OC 12.1	12.8	0	12.8	16.2	0	16.2	16.2	0	16.2	36.8	0	36.8	36.8	0	36.8
13	Benefits for former personnel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13	FNDH	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13	Severance Payments for FNDH			0			0			0			0			0
13	Other Benefits for Former Personnel - FNDH			0			0			0			0			0
13	FN PSCs	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13	Severance Payments for FN PSCs			0			0			0			0			0
13	Other Benefits for Former Personnel - FN PSCs			0			0			0			0			0
	Subtotal OC 13.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Cost of Controller Operations

Org. Title: USAID/ETHIOPIA Org. No: 663 OC		Overseas Mission Budgets														
		FY 1998			FY 1999 Target			FY 1999 Request			FY 2000 Target			FY 2000 Request		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
21	Travel and transportation of persons	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21	Training Travel	18.8		18.8	18.8		18.8	18.8		18.8	18.8		18.8	18.8		18.8
21	Mandatory/Statutory Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21	Post Assignment Travel - to field				10.4		10.4	10.4		10.4			0			0
21	Assignment to Washington Travel	4.0		4.0			0			0			0			0
21	Home Leave Travel	3.0		3.0	2.3		2.3	2.3		2.3			0			0
21	R & R Travel			0			0			0	9.3		9.3	9.3		9.3
21	Education Travel			0			0			0			0			0
21	Evacuation Travel			0			0			0			0			0
21	Retirement Travel			0			0			0			0			0
21	Pre-Employment Invitational Travel			0			0			0			0			0
21	Other Mandatory/Statutory Travel	1.4		1.4	1.4		1.4	1.4		1.4	1.4		1.4	1.4		1.4
21	Operational Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21	Site Visits - Headquarters Personnel	2.0		2.0	2.1		2.1	2.1		2.1	2.2		2.2	2.2		2.2
21	Site Visits - Mission Personnel			0			0			0			0			0
21	Conferences/Seminars/Meetings/Retreats	3.0		3.0	3.0		3.0	3.0		3.0	3.0		3.0	3.0		3.0
21	Assessment Travel			0			0			0			0			0
21	Impact Evaluation Travel			0			0			0			0			0
21	Disaster Travel (to respond to specific disasters)			0			0			0			0			0
21	Recruitment Travel			0			0			0			0			0
21	Other Operational Travel	5.0		5.0	5.0		5.0	5.0		5.0	5.0		5.0	5.0		5.0
	Subtotal OC 21.0	37.2	0	37.2	43.0	0.0	43.0	43.0	0.0	43.0	39.7	0	39.7	39.7	0	39.7
22	Transportation of things	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
22	Post assignment freight	16.0		16.0	29.4		29.4	29.4		29.4			0			0
22	Home Leave Freight	7.0		7.0	1.0		1.0	1.0		1.0			0			0
22	Retirement Freight			0			0			0			0			0
22	Transportation/Freight for Office Furniture/Equip.	8.7		8.7	9.3		9.3	9.3		9.3	10.5		10.5	10.5		10.5
22	Transportation/Freight for Res. Furniture/Equip.	4.5		4.5	2.9		2.9	2.9		2.9	3.2		3.2	3.2		3.2
	Subtotal OC 22.0	36.2	0.0	36.2	42.6	0	42.6	42.6	0	42.6	13.7	0	13.7	13.7	0	13.7
23.2	Rental payments to others	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.2	Rental Payments to Others - Office Space		21.1	21.1		21.4	21.4		21.4	21.4		21.4	21.4		21.4	21.4
23.2	Rental Payments to Others - Warehouse Space			0			0			0			0			0
23.2	Rental Payments to Others - Residences	12.5		12.5	12.5		12.5	12.5		12.5	30.0		30.0	30.0		30.0
	Subtotal OC 23.2	12.5	21.1	33.6	12.5	21.4	33.9	12.5	21.4	33.9	30.0	21.4	51.4	30.0	21.4	51.4
23.3	Communications, utilities, and miscellaneous charges	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.3	Office Utilities	0.9		0.9	1.0		1.0	1.0		1.0	1.2		1.2	1.2		1.2
23.3	Residential Utilities	1.8		1.8	1.8		1.8	1.8		1.8	1.8		1.8	1.8		1.8
23.3	Telephone Costs	6.9		6.9	7.6		7.6	7.6		7.6	10.9		10.9	10.9		10.9
23.3	ADP Software Leases			0			0			0			0			0
23.3	ADP Hardware Lease			0			0			0			0			0
23.3	Commercial Time Sharing			0			0			0			0			0
23.3	Postal Fees (Other than APO Mail)			0			0			0			0			0



Cost of Controller Operations

Org. Title: USAID/ETHIOPIA Org. No: 663 OC		Overseas Mission Budgets														
		FY 1998			FY 1999 Target			FY 1999 Request			FY 2000 Target			FY 2000 Request		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
23.3	Other Mail Service Costs			0			0			0			0			0
23.3	Courier Services			0			0			0			0			0
	Subtotal OC 23.3	9.6	0	9.6	10.4	0	10.4	10.4	0	10.4	13.9	0	13.9	13.9	0	13.9
24	Printing and Reproduction			0			0			0			0			0
	Subtotal OC 24.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25.1	Advisory and assistance services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.1	Studies, Analyses, & Evaluations			0			0			0			0			0
25.1	Management & Professional Support Services			0			0			0			0			0
25.1	Engineering & Technical Services			0			0			0			0			0
	Subtotal OC 25.1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25.2	Other services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.2	Office Security Guards	4.7		4.7	5.2		5.2	5.2		5.2	6.0		6.0	6.0		6.0
25.2	Residential Security Guard Services	2.3		2.3	2.5		2.5	2.5		2.5	2.8		2.8	2.8		2.8
25.2	Official Residential Expenses			0			0			0			0			0
25.2	Representation Allowances			0			0			0			0			0
25.2	Non-Federal Audits			0			0			0			0			0
25.2	Grievances/Investigations			0			0			0			0			0
25.2	Insurance and Vehicle Registration Fees			0			0			0			0			0
25.2	Vehicle Rental			0			0			0			0			0
25.2	Manpower Contracts			0			0			0			0			0
25.2	Records Declassification & Other Records Services			0			0			0			0			0
25.2	Recruiting activities			0			0			0			0			0
25.2	Penalty Interest Payments			0			0			0			0			0
25.2	Other Miscellaneous Services	3.9		3.9	4.3		4.3	4.3		4.3	4.7		4.7	4.7		4.7
25.2	Staff training contracts			0			0			0			0			0
25.2	ADP related contracts			0			0			0			0			0
	Subtotal OC 25.2	10.9	0	10.9	12	0	12	12	0	12	13.5	0	13.5	13.5	0	13.5
25.3	Purchase of goods and services from Government accounts	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.3	ICASS	53.2		53.2	53.2		53.2	53.2		53.2	53.2		53.2	53.2		53.2
25.3	All Other Services from Other Gov't. accounts			0			0			0			0			0
	Subtotal OC 25.3	53.2	0	53.2	53.2	0	53.2	53.2	0	53.2	53.2	0	53.2	53.2	0	53.2
25.4	Operation and maintenance of facilities	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.4	Office building Maintenance	2.9	1.9	4.8	3.1	3.8	6.9	3.1	3.8	6.9	7.1	3.8	10.9	7.1	3.8	10.9
25.4	Residential Building Maintenance	3.0		3.0	3.2		3.2	3.2		3.2	3.3		3.3	3.3		3.3
	Subtotal OC 25.4	5.9	1.9	7.8	6.3	3.8	10.1	6.3	3.8	10.1	10.4	3.8	14.2	10.4	3.8	14.2
25.7	Operation/maintenance of equipment & storage of goods	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.7	ADP and telephone operation and maintenance costs			0			0			0			0			0
25.7	Storage Services			0			0			0			0			0
25.7	Office Furniture/Equip. Repair and Maintenance	3.2		3.2	3.5		3.5	3.5		3.5	2.4		2.4	2.4		2.4

### Cost of Controller Operations

[illegible]